

Cabinet Agenda

Date: Monday 18 July 2022

Time: 6.30 pm

Venue: Council Chamber, Harrow Civic Centre,
Station Road, Harrow, HA1 2XY

Membership:

Chair: Councillor Paul Osborn (Leader of the Council and Portfolio Holder for Strategy)

Portfolio Holders:

Councillor Marilyn Ashton

Councillor David Ashton

Councillor Stephen Greek

Councillor Hitesh Karia

Councillor Jean Lammiman

Councillor Mina Parmar

Councillor Anjana Patel

Councillor Pritesh Patel

Councillor Norman Stevenson

Portfolio:

Deputy Leader of the Council and Portfolio Holder for
Planning & Regeneration

Finance & Human Resources

Performance, Communications & Customer Experience

Children's Services

Community & Culture

Housing

Environment & Community Safety

Adult Services & Public Health

Business, Employment & Property

Non-Executive Members:

Role:

Councillor Thaya Idaikkadar

Councillor Ameet Jogia MBE

Councillor Kanti Rabadia

John Higgins

Non-Executive Cabinet Member

Non-Executive Cabinet Member

Non-Executive Cabinet Member

Non-Executive Voluntary Sector Representative

Quorum 3, including the Leader and/or Deputy Leader

Contact: Nikoleta Kemp, Senior Democratic & Electoral Services Officer

Tel: 07761 405898 E-mail: nikoleta.kemp@harrow.gov.uk

Scan this code for the electronic agenda:



Useful Information

Joining the Meeting virtually

The meeting is open to the public and can be viewed online at www.harrow.gov.uk/virtualmeeting

Attending the Meeting in person

Directions to the Civic Centre can be found at: www.harrow.gov.uk/contact. It is accessible to people with special needs, with accessible toilets and lifts to the meeting rooms. If you have specific requirements, please contact the officer listed on the front page of this agenda.

You will be admitted on a first-come-first basis and directed to seats.

Please:

- (1) Take a Covid 19 test before travelling and do not attend in person if you test positive.
- (2) Wear a face covering and use the provided hand sanitiser.
- (3) Stay seated.
- (4) Access the meeting agenda online at [Browse meetings - Cabinet – Harrow Council](#)
- (5) Put mobile devices on silent.
- (6) Follow instructions of the Security Officers.
- (7) Advise Security on your arrival if you are a registered speaker.

Filming / recording

This meeting may be recorded or filmed, and if you choose to attend, you will be deemed to have consented to this. Any recording may be published on the Council website.

Agenda publication date: Friday 8 July 2022

Agenda - Part I

1. Apologies for Absence

To receive apologies for absence (if any).

2. Declarations of Interest

To receive declarations of disclosable pecuniary or non pecuniary interests, arising from business to be transacted at this meeting, from:

- (a) all Members of the Committee, Sub-Committee or Panel;
- (b) all other Members present in any part of the room or chamber.

3. Petitions

To receive any petitions submitted by members of the public or Councillors.

4. Public Questions

To receive any public questions received in accordance with paragraph 16 of the Executive Procedure Rules.

Questions will be asked in the order in which they were received. There will be a time limit of 15 minutes for the asking and answering of public questions.

[The deadline for receipt of public questions is 3.00 pm, 13 July 2022. Questions should be sent to publicquestions@harrow.gov.uk No person may submit more than one question].

5. Councillor Questions *

To receive any Councillor questions received in accordance with paragraph 17 of the Executive Procedure Rules.

Questions will be asked in the order agreed with the relevant Group Leader by the deadline for submission and there be a time limit of 15 minutes.

[The deadline for receipt of Councillor questions is 3.00 pm, 13 July 2022].

6. Key Decision Schedule July - September 2022 (Pages 5 - 8)

7. Progress on Scrutiny Projects (Pages 9 - 10)

For consideration

Place

8. Feasibility on Potholes (Pages 11 - 18)

Report of the Corporate Director of Place and the Director of Environment.

People

KEY 9. Adult Social Care Bedded Care Strategy (Pages 19 - 36)

Report of the Interim Corporate Director, People.

Resources and Commercial

10. Improving the Customer Experience (Pages 37 - 60)

Report of the Corporate Director, Resources.

KEY 11. Homes for Ukraine Scheme (Pages 61 - 88)

Report of the Corporate Director, Resources.

KEY 12. Revenue and Capital Monitoring 2021/22 - Final Outturn (Pages 89 - 148)

Report of the Director of Finance and Assurance.

13. Treasury Management Annual Report and Outturn 2021/22 (Pages 149 - 164)

Report of the Director of Finance and Assurance.

14. Any Other Urgent Business

Which cannot otherwise be dealt with.

Agenda - Part II - Nil

Data Protection Act Notice

The Council will record the meeting and will place the recording on the Council's website.

[Note: The questions and answers will not be reproduced in the minutes.]

Deadline for questions	3.00 pm on 13 July 2022
Publication of decisions	19 July 2022
Deadline for Call in	5.00 pm on 26 July 2022
Decisions implemented if not Called in	27 July 2022

London Borough of Harrow

Key Decision Schedule (July 2022 - September 2022)

July 2022

This is a list of Key Decisions which the Authority proposes to take at the above Cabinet meeting. The Cabinet agenda containing all the reports being considered will be published 5 clear days before the meeting.

A Key Decision is one which is likely to:

- 5
- (i) result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to its budget for the service or function to which the decision relates. A decision is significant if it involves expenditure or the making of savings of an amount in excess of £1m of capital or £500,000 of revenue or where savings or expenditure are less than these amounts but they constitute more than 50% of the budget attributable to the service in question; or
 - (ii) be significant in terms of its effects on communities living or working in an area of two or more wards of the Borough.

Decisions which the Cabinet intends to make in private

The Cabinet may meet in private to consider reports which contain confidential information. A private meeting of the Cabinet is open only to Members of the Cabinet, other Councillors and Council officers. This Schedule also contains non-Key Decisions which involve Cabinet meeting in private. Any person can make representations to the Cabinet if they believe the decision should instead be made in the public Cabinet meeting by emailing democratic.services@harrow.gov.uk.

The membership of the Cabinet is:

Councillor Paul Osborn (Leader; Strategy)
Councillor Marilyn Ashton (Deputy Leader, Planning & Regeneration)
Councillor David Ashton (Finance & Human Resources)
Councillor Stephen Greek (Performance, Communications & Customer Experience)
Councillor Hitesh Karia (Children's Services)
Councillor Jean Lammiman (Community & Culture)
Councillor Mina Parmar (Housing)
Councillor Anjana Patel (Environment & Community Safety)
Councillor Pritesh Patel (Adult Services & Public Health)
Councillor Norman Stevenson (Business, Employment & Property)

Subject	Nature of Decision	Cabinet Member / Lead officer	Open or Private Meeting	Additional Documents to be submitted and any Consultation to be undertaken
JULY 2022				
Adult Social Care Bedded Care Strategy	<p>To delegate to the Corporate Director of People and the Director of Finance authority to enter new block contracts.</p> <p>To delegate authority for the development and implementation of the strategy to increase extra care housing provision in care.</p>	<p>Councillor Pritesh Patel</p> <p>Interim Corporate Director People peter.singh@harrow.gov.uk</p>	Open	Engagement with the market has been undertaken.
Revenue and Capital Monitoring 2021/22 - Final Outturn	To note the Revenue and Capital final outturn for 2021/22 and note any Capital Programme adjustments /movements in reserves as detailed in the report.	<p>Councillor David Ashton</p> <p>Director of Finance jo.frost@harrow.gov.uk</p>	Open	
Harrow Strategic Development Partnership (HSDP) - Review and Progress	To update Cabinet on the review of the HSDP and take decisions relating to progress particularly with regard to Milton Road.	<p>Councillor Marilyn Ashton; Councillor David Ashton</p> <p>Corporate Director Place julian.wain@harrow.gov.uk</p>	Part exempt	Overview and Scrutiny Committee (date to be determined); Ward Councillors; HSDP Board

7

Subject	Nature of Decision	Cabinet Member / Lead officer	Open or Private Meeting	Additional Documents to be submitted and any Consultation to be undertaken
Homes for Ukraine Scheme	<p>To seek authority to spend the expected grant from the Government to support the Homes for Ukraine scheme, which is expected to be in the region of £2.6m in 2022/23.</p> <p>To adopt the outcomes and principles for the programme.</p>	<p>Councillor Jean Lammiman; Councillor David Ashton</p> <p>Corporate Director, Resources rachel.gapp@harrow.gov.uk</p>	Open	
∞ Fly-tipping Update	<p>To update Cabinet on the fly-tipping strategy and seek approval for retaining the pilot for additional street cleansing, priority enforcement teams and establishing free bulky waste disposal service.</p>	<p>Councillor Anjana Patel</p> <p>Corporate Director Place mohammed.hafeez@harrow.gov.uk; emma.phasey@harrow.gov.uk, tel. 07521 868 591</p>	Open	
AUGUST 2022				
SEPTEMBER 2022				

PROGRESS ON SCRUTINY PROJECTS

Review	Methodology	Type of report	Expected date for report to Cabinet	Comments
Joint Overview & Scrutiny Committee (JHOSC) for Shaping a Healthier Future Programme	Joint Committee	Update reports provided for O&S/ Health & Social Care sub committee and Cabinet (for information)	As required	<p>The first JHOSC meeting of the new municipal cycle will be on 20 July 2022 (hosted by Brent Council) when it is expected the work programme and approach for the year ahead will be considered.</p> <p>Members met informally to shape their work programme for the year ahead.</p> <p>There are regular update reports on the JHOSC to Harrow’s Health and Social Care Scrutiny Sub-Committee so that there is a formal feedback loop between regional and local health scrutiny. Councillor Chetna Halai, chair of Health Sub is Harrow’s member on the JHOSC.</p>
Shared Services – Lessons learnt, other councils’ experiences, impact on savings and improving quality	Review	Report to Cabinet	By September 2021	<p>The final report of the review was considered by O&S on 20 April 2021, with a relaxation on the timescales for an Executive response (by September 2021).</p> <p>Update: due to resource and capacity issues, this has yet to be completed.</p>

Contact: Nahreen Matlib, Senior Policy Officer

Email: nahreen.matlib@harrow.gov.uk

This page is intentionally left blank



Report for: Cabinet

Date of Meeting:	18 th July 2022
Subject:	Feasibility report for pothole repairs
Key Decision:	No, as the funding for the work being requested is under £500,000
Responsible Officer:	Dipti Patel - Corporate Director of Place; Tony Galloway - Director of Environment
Portfolio Holder:	Councillor Anjana Patel - Portfolio Holder Environment & Community Safety
Exempt:	No
Decision subject to Call-in:	Yes
Wards affected:	All wards
Enclosures:	None

Section 1 – Summary and Recommendations

Cabinet have asked for a report on potholes in the borough and the feasibility of creating an in-house pothole service to improve the potholes across the borough.

This report sets out the findings of the initial feasibility work on bringing this operation in-house.

Recommendations:

Cabinet is requested to:

1. Note the content of the report
2. Instruct officers to continue the feasibility work and bring back the results of the study to a future Cabinet meeting;
3. Delegate authority to the Director of Environment to commission the study from external consultants at a cost of approximately £50k.

Reason: (for recommendations)

The recommendations in this report are to review the feasibility of bringing the pothole repair function in-house.

Section 2 – Report

Cabinet have asked for a report on potholes in the borough and the feasibility of creating an in-house pothole service to improve the management and repair of potholes across the borough.

This report sets out the findings of initial feasibility work and the key issues that are being investigated.

Options considered

- To bring the service in-house – we could seek to bring the service in house and use our own team and vehicles to complete the work

Current situation

Highways inspections for potholes are picked up from routine inspections 3 times per year per road and shopping areas once per month. Alternatively, enquiries come in from customers.

On average the council receive 578 enquiries from highway inspections and 492 from customer enquiries, bringing the total potholes reported per annum on average to 1,070.

From customer enquiries the following potholes were reported between 2019 to date.

Financial Year	No. of Customer Reports	Assessed within 3 working days
2019/2020	480	100%
2020/2021	430	100%

2021/2022	565	100%
2022/2023	94	Ongoing
Grand Total	1569	

From highways inspections the following potholes were reported between 2019 to date. From the data below, we can see the average time taken to complete a pothole repair from inspection / notification is 4.5 days. This is in line with national standards at 5 working days.

Row Labels	Average of Days (ordered)
2019/2020	2.18
3 Category 3 (2 hours)	0.03
4 Priority 4 (24 hour)	0.80
5 Priority 5 (3 days)	1.33
6 Priority 6 (5 days)	1.60
7 Priority 7 (30 days)	8.22
2020/2021	6.72
3 Category 3 (2 hours)	0.00
4 Priority 4 (24 hour)	0.80
5 Priority 5 (3 days)	2.27
6 Priority 6 (5 days)	2.29
7 Priority 7 (30 days)	22.56
8 Planned works	146.67
2021/2022	4.52
2 Category 2 (1 hour)	0.00
3 Category 3 (2 hours)	0.00
4 Priority 4 (24 hour)	0.78
5 Priority 5 (3 days)	1.17
6 Priority 6 (5 days)	2.32
7 Priority 7 (30 days)	13.08
8 Planned works	187.00
Grand Total	4.61

The volume of potholes completed per annum between 2019 to date is detailed below. Potholes are repaired depending on health and safety concern of between 2 hours and 30 days.

Period	Grand Total
2019/2020	449
2020/2021	534
2021/2022	750
2022/2023	199
Grand Total	1932

A defect for a pothole is determined by the following criteria

A defect is a vertical or abrupt difference at the interface of two existing surfaces. This excludes areas such as the interface between the top of a kerb and the road surface or steps)

Boreholes and other small area defects where it is considered that there is no risk to vehicles or cyclists may not be ordered for repair.

Category periods for repair	Category 2 (1 hour)	Category 3 (2 hours)	Priority 4 (24 hour)	Priority 5 (3 days)	Priority 6 (5 days)	Priority 7 (30 days)
------------------------------------	----------------------------	-----------------------------	-----------------------------	----------------------------	----------------------------	-----------------------------

Carriageways Location/Depth of defect	Less than 25mm	25mm to 40mm	In excess of 40mm
Carriageway in cycle lane or designated pedestrian crossing point	No repair or P7	C3 to P6	Dependent on surface area, C3 to P5
Carriageway not in cycle lane or designated pedestrian crossing point	No repair or P7	No Repair or P7	Dependent on surface area, C3, to P6
Surface depressions/crowning	Where a surface depression or crowning is identified which is not a vertical step the inspector will make a judgement on whether a repair is necessary and the relevant priority for any repair.		

The Council's highways term contractor carries out all pothole repairs and all inspections are conducted in-house by highways inspectors.

Why a change is needed

Cabinet have asked for a report on potholes in the borough and the feasibility of creating an in-house pothole service to improve the management and repair of potholes across the borough.

Therefore, the option to explore how and if the service would be better in house is being explored.

Implications of the Recommendation

Considerations

The feasibility study will cover issues including staffing and TUPE, procurement regulations, current budget provision, capital investment and its cost, accommodation for the function and materials, equipment, including vehicles and storage.

Resources, costs

The feasibility study is estimated to cost a maximum of £50,000 and funding has been identified for this.

Staffing/workforce

Once the feasibility study is complete a detailed workforce assessment will be provided to members for consideration.

Risk Management Implications

Risks included on corporate or directorate risk register? **No**

Separate risk register in place? **No**

The relevant risks contained in the register are attached/summarised below. **No**

The following key risks should be taken onto account when agreeing the recommendations in this report:

Risk Description	Mitigations	RAG Status
The current highways term contractor carries out all pothole repairs and may have concern in the Council carry out this feasibility study	<ul style="list-style-type: none"> ▪ This is an option to consider and investigate, no decision has been made and therefore the risk of the contractor having any concern is a low likelihood. However, if this should occur, the Head of Service will meet with the contractor to explain this is only a consideration and should this progress detailed discussions with the contractor will occur. 	Green
The feasibility study may be inadequate to base a decision on.	<ul style="list-style-type: none"> ▪ A robust procurement exercise to bring in an experienced and able contractor to complete this study will be undertaken. 	Green
The feasibility study may show that continuing with the current contractor is the best option and thus the study may be seen as a waste of money.	<ul style="list-style-type: none"> ▪ If this is the case, this would not be a waste of money as, based on the perceived issue with potholes in the borough, reviewing the situation is best will provide assurance whatever the outcome. 	Green
If a feasibility study is not undertaken there is a risk that the current issues will remain unresolved.	<ul style="list-style-type: none"> ▪ Thus, the recommendation is to complete the feasibility and move forward based on the outcome of the study. 	Green

Legal Implications

The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) is likely to apply to any transfer of the contract services in house.

Public procurement rules will not apply to taking services in house, though they will apply to any new procurement.

Any vehicle or premises leasing or purchase will require legal input.

Consultants can be commissioned in compliance with the Council's Contract Procedure Rules to provide a detailed feasibility study

Procurement Implications

Any aspect of procurement that may arise out of the recommendations of this report will be undertaken in accordance with Public Procurement Regulations 2015 (as amended) and with the support and advice of the procurement team

Financial Implications

Should the feasibility work be pursued, there would be a one-off cost of project resource. This is estimated at £50k and can be funded from the Capital Feasibilities Reserve. The feasibility study will then inform the cost implications of an in-house pothole operation. This in turn will inform the MTFS implications and their affordability and will be included in a further Cabinet report.

Equalities implications / Public Sector Equality Duty

Should the feasibility progress to detailed business case, an EQIA is likely to be required for the staffing implications.

Council Priorities

Please identify how the decision sought delivers these priorities.

1. **Improving the environment and addressing climate change**

Section 3 - Statutory Officer Clearance

Statutory Officer: Dawn Calvert

Signed by the Chief Financial Officer

Date: 29th June 2022

Statutory Officer: Stephen Dorrian

Signed on behalf of the Monitoring Officer

Date: 29th June 2022

Chief Officer: Dipti Patel

Signed off by the Corporate Director

Date: 30th June 2022

Head of Procurement: Nimesh Mehta

Signed by the Head of Procurement

Date: 24th June 2022

Head of Internal Audit: Susan Dixson

Signed by the Head of Internal Audit

Date: 29th June 2022

Mandatory Checks

Ward Councillors notified: NO, as it impacts on all Wards

EqlA carried out: 24 June 2022

EqlA cleared by: Jennifer Rock

Section 4 - Contact Details and Background Papers

Contact: Nicolina Cooper, Interim Head of Traffic, Highways and Asset Management, 07423621435, Nicolina.cooper@harrow.gov.uk

Background Papers: None

Call-in waived by the Chair of Overview and Scrutiny Committee

NO

This page is intentionally left blank

Report for: Cabinet

Date of Meeting:	18 th July 2022
Subject:	Adult Social Care Bedded Care Strategy
Key Decision:	Yes - the decision sought will affect more than two wards and the value of both the bedded care and Extra Care contracts will exceed £500,000
Responsible Officer:	Peter Tolley - Interim Corporate Director People Services
Portfolio Holder:	Councillor Pritesh Patel - Portfolio Holder for Adult Services and Public Health
Exempt:	No
Decision subject to Call-in:	Yes
Wards affected:	All wards
Enclosures:	None

Section 1 – Summary and Recommendations

This report provides Cabinet with information on two aspects of the emerging Adult Social Care bedded care strategy – to increase the use of block provision for bedded care and the commissioning of a Care and Wellbeing Service for the new extra care provision at Kodak East.

Recommendations:

Cabinet is requested to:

1. Delegate authority to the Corporate Director of People following consultation with the Section 151 Officer and the Portfolio Holder for Adults and Public Health and the Portfolio Holder for Finance and Human Resources to compliantly award contracts to providers to secure a block contract model for bedded care.
2. Approve the commencement of the procurement of a provider for the Care and Wellbeing Service for the new Extra Care scheme at Harrow View East (Kodak East).
3. Delegate authority to the Corporate Director of People following consultation with the Section 151 Officer the Portfolio Holder for Adults and Public Health and the Portfolio Holder for Finance and Human Resources to award the contract for the new Extra Care scheme at Harrow View East (Kodak East).

Reason (for the recommendations): To increase the use of block provision for bedded care and increase Extra Care housing provision in Harrow.

Section 2 – Report

Introductory paragraph

1. Harrow has an ageing population and is experiencing an increase in demand for adult social care including older people and citizens with dementia. To ensure that there are alternative options to residential placements for older people the Council has agreed an Extra Care Strategy and is developing its approach to commissioning placements for people with dementia to secure quality care at an affordable price through the evolving Bedded Care Strategy.
2. Together the Extra Care strategy and emerging Bedded Care Strategy will contribute to the Council's priorities of Putting Residents First by providing choice for extra care and securing quality provision for dementia.
3. The Adult Social Reforms White Paper, People at the Heart of Care, published in March 2022, sets out an ambitious 10-year vision for how the Government will transform support and care in England. There are a

range of policies to implement over the first three years including support for local authorities to ensure that their local care market is sustainable where providers are paid a fair rate for care, which encourages diversity of provider models, prioritises outcomes, and enables people to have a wide range of high-quality care and support options to choose from that provide personalised support to live a fulfilling life. The Council has started its Cost of Care Review of the local market, along with all local authorities. Harrow will publish its Market Sustainability Plan in February 2023 as part of the White Paper reforms. The proposals in this report are in line with the vision set out in the White Paper.

4. This report provides Cabinet with details on the opportunity to increase the use of block provision for older people and dementia bedded care and the next phase of the Extra Care Strategy.
5. These two elements contribute to the creation of a future bedded care strategy. In the strategy will include other elements which are in development such as a supported living accreditation scheme, the possible future development of block provision for other client groups including but not exclusively learning disability and mental health, and the consideration of any appropriate frameworks or Dynamic Purchase vehicles.

Options considered

6. The following options have been considered:

Option 1:

Do Nothing – this will not enable the Council to meet the demands of an ageing population, secure financial efficiencies and improve outcomes for older citizens within the current challenging financial context. Therefore, a new approach is required to be considered.

Option 2:

Procure a Care and Wellbeing provider to contribute to the availability of extra care provision in Harrow. Extra care housing offers an alternative to costly residential care and is more appropriate and cost effective in meeting needs and maintaining health and wellbeing. Offering secure quality and cost-effective places for older people with dementia.

7. Option 2 is the preferred option and is underpinned by the Extra Care and emerging Bedded Care Strategy.

Current situation

Bedded Care

8. The bedded care market (residential and nursing care) in London is changing, exacerbated by the Covid-19 pandemic, workforce and funding challenges. Harrow currently relies on spot purchase placements and is proposing to reduce its reliance on this approach through a move towards a Bedded Care Strategy that works in partnership with providers

and focuses on putting in place block contracts which are aligned to a clear understanding of the Council’s anticipated needs in the future.

9. There are 30 residential care and nursing providers in the borough of Harrow with the capacity of 1,064 beds in total. Harrow has approximately 424 residential and nursing care placements, of which 215 are for dementia and 209 for non-dementia both in and out of borough. Other than a block of placements at Sancroft Hall, placements are spot purchased.
10. The West London Alliance (WLA) supports Local Authorities within West London in commissioning services for their most vulnerable residents across social care, education and housing. The WLA produce annual older people residential and nursing care home price bands for LAs in West London. Harrow aims to secure placements at the WLA rate wherever possible.
11. Each spot purchased placement is negotiated separately which means that there is access to a wide market and the risk of a void is with the provider. However, costs and support vary based on providers and bed availability.
12. Block contracts promote stronger strategic relationships with commissioned providers, support greater stability, collaboration and creativity with providers. Block contracts can also enable greater certainty and visibility of beds, allowing commissioners to find options that best meet citizen needs, rather than relying solely on availability.
13. Through the evolving bedded care strategy, it is proposed to reduce the number of spot purchased placements and consolidate existing multiple spot placements in particular homes to a block contracting arrangement. The approach will be on a provider-by-provider basis, and over time the number of block contracts will increase.
14. This gradual approach will reduce risks of voids and ensure block provision increases are targeted with the most appropriate providers.
15. The opportunities and risks of this approach are presented in the comparison table as follows:

	Opportunity	Challenge and Mitigations
	Strategic block contracts secure efficiencies from disparate spot purchased spend and will help to reduce total expenditure.	Void management as void periods reduce associated cost savings. To mitigate this: i) the move from spot to block provision would ensure that each block would be full on day 1 of the contract and only future vacant beds would need to be filled. ii) There are sufficient new care placements to ensure that any void periods will be filled quickly – there were 130 new older people bedded care placements during 2021/22,

		<p>which equates to 2.5 placements per week. There were 75 new bedded care dementia placements during 2021/22, which equates to just under 1.5 placements per week. iii) the increase of block provision will take time as part of on-going market management. iv) the Brokerage Team will dedicate officer time to monitor each block and work with care management to fill beds. A register will be kept to facilitate this and new referrals sent to block providers to fill any void beds as quickly as possible.</p>
	<p>Builds relationships with local providers as key partners in strategic planning. Planning reduces the risk of void beds and increased local employment.</p>	<p>To ensure that the provider does not chose referral packages with the lowest needs, regular provider meetings will be used to challenge this position, if this is the case with examples and data from the Brokerage Team. The contract will outline the council's requirements on referral expectations.</p>
	<p>Implementation of specialist commissioning provision for example, culturally specific provision, dementia and similar age-related complex conditions</p>	<p>A change in CQC ratings will mean that if a provider moves from 'good' to 'requires improvement' will alter, more greatly, the proportion of placements amongst providers that are not 'good' or 'outstanding'. However, the Quality Assurance team will continue to work with providers in developing a detailed action plan with timescales so that they are able to improve its ratings as soon as possible.</p>
	<p>Beneficial for citizens families and carers as this will lead to increased local provision.</p>	
	<p>Block provision will reduce the total number of providers commissioned and the associated out of borough visits from Social work, Quality Assurance, Contract Monitoring and Commissioning teams. It will reduce back officer functions.</p>	

Well-defined specifications focusing on person-centred support and progression, as well as a clear expectation of a reduction in support hours over time.	
Offer opportunities to develop joint arrangements with Health to support residential options for older people with more complex health and care needs.	

16. Initial discussions with providers have identified several opportunities to consolidate spot purchases to block arrangements including:
- A dementia care home that currently provides 7 spot beds
 - 14 spot beds in two Harrow homes from a medium sized care home provider for dementia and non-dementia placements
17. Both homes have a good CQC rating, will accept the West London Alliance (WLA) rates and have the potential to increase the number of block beds over time if this aligns with the council's needs.

Implementing the increase in block provision

18. Officers will assess the scale and viability of each opportunity and progress to targeted commercial negotiation with the aim to ensuring weekly prices are aligned to the WLA rates for older people's block contracts. There is no target number of beds to be secured through block contracting arrangements. The Council expects to continue a combination of block and spot purchase commissioning arrangements.
19. The following criteria will be applied to potential providers for block contracts:
- a CQC rating of at least Good
 - aligned to WLA rates for new dementia and non-dementia placements
 - existing Harrow Council spot placements
 - trained staff able to meet the needs of culturally specific groups that reflect Harrow's diverse population
 - committed to work with Harrow's Quality Assurance, Contract Monitoring, Brokerage and Commissioning Officers throughout the lifetime of the contract

Extra Care Strategy Up-date and Next Steps

20. Cabinet agreed the Extra Care Strategy in November 2018. The aim of extra care housing is to meet the housing, care and support needs of older people as an alternative to residential care which are not the most appropriate or cost-effective approaches to meet needs and maintain health and wellbeing. This is particularly important in the context of an

ageing population, increasing demand for services and budget challenges in local government.

21. An up-date report was presented in November 2020 and Cabinet agreed the delegation of authority for the procurement and award of a contract for the care and well-being service for Ewart House. This procurement has been completed and Metropolitan Thames Valley Housing have been appointed with effect from July 2022.
22. The build of the Extra Care scheme on Harrow View East is nearing completion with a current timeline of November 2022 and the owners of the land, Harrow LLP, have leased the building to the Registered Housing Provider, Octavia Housing. There are 60 units in the provision and this will be the second extra care facility in Harrow. The Council now need to undertake a procurement exercise to appoint a provider for the care and wellbeing service.
23. It is estimated that the service will have an expenditure in excess of £1M per annum however, this will not all be additional expenditure as citizens will be identified by Adult Social Care (ASC) and will already be in receipt of a care package. An exercise is currently being undertaken to identify suitable citizens for the extra care scheme.
24. It is proposed that the contract will be for 3 years with the option to extend for a further 2 years in 1-year increments. This will bring the provision in line with that of the existing Extra Care scheme, Ewart House, to provide the future opportunity to go out to tender for both schemes at the same time, with the intention that the economies of scale will generate reduced costs from any providers tendering.
25. A Prior Information Notice (PIN) notice has been issued to inform the market that the Council will be tendering for the service. The tender will be launched on 22 July 2022 and the successful provider following the tender will be appointed by the end of October 2022.

Ward Councillors' comments

26. None. The proposals in this report affect all wards in Harrow.

Performance Issues

27. Together the proposals for the ASC Bedded Care Strategy and Extra Care will help the council in meeting some of the Adult Social Care Outcomes Framework (ASCOF).
28. The Adult Social Care Outcomes Framework (ASCOF) measures how well care and support services achieve the outcomes that matter most to people. The ASCOF is used both locally and nationally to set priorities for care and support, measure progress and strengthen transparency and accountability.

Measures include:

- reducing out of borough placements (local indicator)
- additional extra care capacity may reduce the reliance on long term residential care provision and lead to more appropriate placements (ASCOF indicator 2a2 and more relevant for additional extra care unit)
- in time the Council will also be able to see if there are improvements in the proportion of people who are reporting back that they have control over their daily life (ASCOF indicator 1b and more relevant for additional extra care unit because it offers an alternative to residential care)
- improvements in the level of satisfaction with their care and support (ASCOF indicator 3a)
- a reduction in the percentage (%) of current residential and nursing care packages with CQC rating 'required improvement' or 'inadequate' (local measure)
- in time the Council will also be able to see if there are improvements in the proportion of people who are reporting back that they have control over their daily life (ASCOF indicator 1b and more relevant for additional extra care unit as they have choice as an alternative to residential care)

Environmental Implications

29. Under Policy 5.2 of the current London Plan, all development is expected to achieve at least a 35% reduction in carbon emission through on-site measures. Any remaining residential carbon emissions are to be offset by way of monetary contribution to ensure that the residential element of the development is zero carbon.
30. The Harrow View East scheme will achieve at least a 35% reduction through on-site measures. The energy strategies for the scheme implement the three-step energy hierarchy outlined in the London Plan, namely to:
 - a. 'Be Lean' by reducing energy demand – achieved by way of enhanced building fabric performance for walls, floors, roofs, windows and air permeability;
 - b. 'Be Clean' by supplying energy efficiently – achieved by connection to a heat network currently under construction and/or by use of a Combined Heat and Power (CHP) engine, which produces both heat and electricity locally;
 - c. 'Be Green' by using zero carbon technologies (i.e. renewable energy) – achieved by measures such as solar PV panels.
31. Further active measures are proposed including lower energy light fittings, enhanced lighting controls, high efficiency boilers and control systems and a number of broader sustainability measures, including water efficiency.
32. The scheme also provides a payment to offset any carbon reduction that is not achieved on-site.

33. The move towards more block contracts from spot placements will facilitate a reduction in travel time for family visits as placements are more likely to be in borough and will allow a greater collaboration working with commissioning and the provider on providers actions and environmental ambitions.
34. In conducting the procurement process, prospective providers will be evaluated on their ability to deliver greenhouse gas emissions reductions during the delivery of the contract in accordance with the Council's Low Carbon Procurement Policy which was adopted in March 2022.

Data Protection Implications

35. There are no data protection implications with these proposals.

Risk Management Implications

Risks included on corporate or directorate risk register? No

36. Separate risk register in place? No, there will be a risk register for each block contract proposal and business case.
37. The following key risks should be taken into account when agreeing the recommendations in this report:

Risk Description	Mitigations	RAG Status
<i>Block provision from spot contracts</i>		
The recommendation to move from spot to block provision is not accepted leading to bed shortages as providers accept placements at a higher rate from health, other local authorities or private funders	The acceptance of the recommendation in this report	Amber
Extended periods of voids resulting in financial inefficiencies.	i) the move from spot to block provision would ensure that each block would be full on day 1 of the contract and only future vacant beds would need to be filled. ii) There are sufficient new care placements to ensure that any void periods will be filled quickly – there were 130 new older people bedded care placements during 2021/22, which	Amber

Risk Description	Mitigations	RAG Status
	<p>equates to 2.5 placements per week. There were 75 new bedded care dementia placements during 2021/22, which equates to just under 1.5 placements per week. iii) the increase of block provision will take time as part of on-going market management. iv) the Brokerage Team will dedicate officer time to monitor each block and work with care management to fill beds. A register will be kept to facilitate this and new referrals sent to block providers to fill any void beds as quickly as possible.</p>	
<p>The provider choses referral packages with the lowest needs.</p>	<p>Regular provider meetings will be used to challenge this position, if this is the case with examples and data from the Brokerage Team. The contract will outline the council's requirements on referral expectations.</p>	Green
<p>A change in CQC ratings will mean that if a provider moves from 'good' to 'requires improvement' will alter, more greatly, the proportion of placements amongst providers that are not 'good' or 'outstanding'.</p>	<p>The Quality Assurance team will continue to work with providers in developing a detailed action plan with timescales so that they are able to improve its ratings as soon as possible.</p>	Amber
<p><i>Commissioning of a Care and Wellbeing Service for the new extra care provision</i></p>		
<p>A lack of interest by providers to provide Extra Care, care and wellbeing services</p>	<p>A recent tender for the Care and Wellbeing Service at the existing Extra Care scheme, Ewart House, produced a very good response.</p> <p>A two-stage procurement process was carried out. The first stage was the Selection Questionnaire with</p>	Green

Risk Description	Mitigations	RAG Status
	<p>11 responses received, 2 of whom did not meet the compliance requirement. The remaining 9 were evaluated with the top 6 being invited to Tender with an award being made.</p> <p>It is anticipated that this tender may generate even more interest as the number of units are 60 compared to the existing scheme (Ewart House) of 37 units requiring support.</p>	
Unaffordable specification for Extra Care, care and wellbeing services	Extra Care provision provides a more cost-effective means of providing care provision than residential care as the costs are only related to Care and does not include accommodation as with residential care.	Amber
Prolonged period of voids having a detrimental impact on Extra Care financial modelling	<p>Through the ASC Panel, officers are identifying potential citizens and developing transition processes and planning for the citizens to take up placements.</p> <p>An Extra Care waiting list has been developed.</p> <p>Officers have liaised with the Registered Housing provider and agreed an occupancy plan of 6 – 9 months to fill the new Extra Care scheme.</p> <p>Staff training is being planned to ensure that there is knowledge and understanding of the provision available.</p> <p>A communications strategy is being implemented to</p>	Amber

Risk Description	Mitigations	RAG Status
	promote the new Extra Care Scheme. This is being supported by the Registered Housing Provider through development of a leaflet and open days in the future.	
The transition from spot to block contracting arrangements breach procurement regulations and Contract Procedures.	Commissioners will work with the procurement and legal teams to ensure that the transition of existing spot provision to block contracts is compliant with the Public Contract Regulations 2015 (PCR) and any future procurement legislation that supersedes the PCR. Contract Procedure Rules will be followed including obtaining waivers where necessary.	Green

Procurement Implications

Bedded Care Strategy

38. The proposed procurement strategy will be to, where appropriate and where value for money is being created, make a transition from a spot contracting model with care providers to a block contracting model.
39. This will be compliantly undertaken using provisions in the Public Contract Regulations 2015 (as amended). Specifically, the following regulations:

Regulation 72 Modification of Contracts During their Term

- (1) Contracts and frameworks agreements may be modified without a new procurement procedure in accordance with this Part in any of the following cases: -

(b) for additional works, services or supplies by the original contractor that have become necessary and were not included in the initial procurement, where a change of contractor—

(ii) would cause significant inconvenience or substantial duplication of costs for the contracting authority

provided that any increase in price does not exceed 50% of the value of the original contract;

Regulation 76 Principles of Awarding Contracts

(8) In relation to the award of contracts subject to this Section, contracting authorities may take into account any relevant considerations, including: -

- (a) The need to ensure quality, continuity, accessibility, affordability, availability, and comprehensiveness of the services;
- (b) The specific needs of different categories of users, including disadvantaged and vulnerable groups;

Extra Care Procurement

40. There are two components to the delivery of the extra care schemes: the building and the care and wellbeing support service. These can be provided by separate providers or a single organisation with separate housing and care support services. The registered housing provider for the Harrow View East Scheme appointed by the owners, Harrow LLP, is Octavia Housing.
41. Under the S106, it is the responsibility of Harrow Council to appoint a care and wellbeing provider. To that end officers will undertake a compliant procurement exercise to appoint a care provider for the Extra Care facility at Harrow View East. This will include the London Living Wage (LLW) being paid on this contract, any changes will be referred back to the Corporate Director as per the delegations.
42. An outline timeline for procurement is as follows:

Extra Care Procurement Key Milestones	Timeline
Issue UK notice and Selection Questionnaire (SQ) on London Tenders Portal/Expression of Interests and Registration	22/7/22
SQ Evaluation and Moderation	9/8/22 – 18/8/22
Invitation to Tender (ITT)	19/8/22 – 20/9/22
ITT Evaluation and Moderation	22/9/22 – 6/10/22
Award Report	7/10/22 – 15/10/22
Notification of Intention to Award	17/10/22
Award of Contract	31/10/22

43. The award of a tender through a procurement exercise is expected to deliver a cost-effective quality care and wellbeing service.

Legal Implications

44. Under the Care Act 2014, local authorities are under a duty to carry out their care and support responsibilities with the aim of joining-up the services provided or other actions taken with those services provided by the NHS and other health-related services (for example, housing or leisure services). This general requirement applies to all of the local authority's care and support functions for adults with needs for care and

support and for carers. The duty applies where the local authority considers that the integration of services will:

- promote the wellbeing of adults with care and support needs or of carers in its area
- contribute to the prevention or delay of the development of needs of citizens
- improve the quality of care and support in the local authority's area, including the outcomes that are achieved for local citizens.

Public Sector Equality Duty

45. The public sector equality duty is set out in s149 of the Equality Act 2010. A public authority must, in the exercise of its functions, have due regard to the need to:
 - Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
46. Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
 - Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
 - Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; and
 - Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
47. Any procurement exercise to be undertaken will be subject to and conducted in accordance with the Public Contracts Regulations 2015 (PCR) and the Council's Contract Procedure Rules. The procurement exercise will also be subject to the EU Treaty principles of equal treatment, fairness and non-discrimination.
48. The Council's Legal Services, HB Public Law will be instructed to advise on the tendering process and completion of the contracts for the services to be procured and awarded under this report.

Financial Implications

49. During 2021-22 expenditure in relation to externally purchased care totalled just over £75.3m (this expenditure relates to all care types and includes costs for home care, supported accommodation, cash personal budgets and day care, as well as residential and nursing packages).
50. £36.4m of the total expenditure of £75.3m was spent on residential and nursing care (bedded care). Included within this expenditure was £1.7m (4.7%) for block beds at Sancroft and Birchwood Grange. The remainder of the expenditure (£34.7m) was spent on spot residential and nursing placements.
51. Over time, the increase of block provision and the new extra care unit will contribute to managing pressure on the ASC budget. The increase of block contracts at the WLA rates will secure financial certainty for the periods of the contracts and will avoid individual provider negotiations on a case by case basis which incur higher costs.
52. Block provision will reduce the total number of providers commissioned by the Council and the associated out of borough visits from Care Management, Quality Assurance, Contract Monitoring and Commissioning teams of the Council. It will reduce back office functions.
53. Extra Care provides a cost avoidance, as it provides a more cost effective way to support citizens who are already known to ASC, but who are no longer able to continue living independently in their own home, but who are able to live independently with additional support. Without Extra Care, these citizens would require a more costly residential placement.
54. Citizens will have a tenancy with the landlord and each citizen will be responsible for paying rent and service charges either through their own means or through Housing Benefit. The LA will only pay for the care delivered and does not incur accommodation charges as with Residential Care.
55. The tender of the Care and Wellbeing service will enable the award of a cost effective, quality service for the Extra Care service. The LLW will be paid for the Extra Care, Care and Wellbeing service.
56. The current MTFS does not include any growth for Adult Social Care and these proposals are expected to contribute towards managing service delivery within the existing budgetary provision.
57. The full extent of the financial implications will be monitored over time as the spot to block contracts increase and the extra care unit is occupied. It should be noted that the care market prices are currently susceptible to the following factors which will also be monitored:
 - The Cost of Care Review of the local market, Harrow has started the review and in line with the DHSC guidance will publish its Market Sustainability Plan in February 2023 as part of the White Paper reforms.

- The ASC charging reforms will impact on the level of client contributions (where applicable), which will increase the cost of care to all councils.
- The implementation of London Living Wage (LLW) over a period of time for bedded care, which is not a current requirement for providers.
- The impact of inflation over time.

Equalities implications / Public Sector Equality Duty

58. An initial review of equalities impact has been undertaken and the overall conclusion of these assessments is that the implications are either positive or neutral. In particular, an increase in suitable accommodation for an increasing population of over 65-year olds is positive for this age group. The commissioning of the wellbeing and care services will ensure that the provider is able to meet the needs of Harrow's ethnically diverse groups. Officers will complete an Equalities Impact Assessment (EQIA) as part of the procurement process

Council Priorities

59. Together the Extra Care strategy and emerging Bedded Care Strategy will contribute to the Council's priorities of Putting Residents First by providing choice for extra care and securing quality provision for those citizens requiring dementia care services.

Section 3 - Statutory Officer Clearance

Statutory Officer: Donna Edwards

Signed on behalf of the Chief Financial Officer

Date: 04/07/2022

Statutory Officer: Michelle Martin

Signed on behalf of the Monitoring Officer

Date: 01/07/2022

Chief Officer: Peter Tolley

Signed by the Corporate Director

Date: 04/07/2022

Head of Procurement: Nimesh Mehta

Signed by the Head of Procurement

Date: 01/07/2022

Head of Internal Audit: Susan Dixon

Signed by the Head of Internal Audit

Date: 04/07/2022

Mandatory Checks

Ward Councillors notified: NO, as it impacts on all Wards

EqIA carried out: NO

An initial review of equalities impact has been undertaken and the overall conclusion of these assessments is that the implications are either positive or neutral. The EQIA will be completed in preparation for procurement of block contracts on a case-by-case basis.

EqIA cleared by: N/A

Section 4 - Contact Details and Background Papers

Contact: Peter Singh, Head of Service Market Management & Commissioning, People Services, peter.singh@harrow.gov.uk

Background Papers: None

Call-in waived by the Chair of Overview and Scrutiny Committee

NO

This page is intentionally left blank



Report for: Cabinet

Date of Meeting:	18 July 2022
Subject:	Improving the Customer Experience
Key Decision:	No
Responsible Officer:	Charlie Stewart – Corporate Director, Resources
Portfolio Holder:	Councillor Stephen Greek - Portfolio Holder for Performance, Communications and Customer Experience
Exempt:	No
Decision subject to Call-in:	Yes
Wards affected:	All wards
Enclosures:	Appendix A – Improving the Customer Experience presentation

Section 1 – Summary and Recommendations

This report sets out the plans to improve the customer experience.

Recommendations:

Cabinet is requested to:

1. Approve the Customer Experience vision and principles
2. Note that a plan to introduce the strategy will be brought back to Cabinet later this year.

Reason (for recommendations): On 24 May 2022 Cabinet agreed that a key priority of the Council would be to put its residents first and treat both residents and businesses as valued customers. This strategy outlines how this priority will be achieved and brings together current activity with future proposed direction.

Section 2 – Report

Options considered

1. Develop a strategy by reviewing current plans, considering future customer needs, modern customer service delivery models and technology and the best outcomes for the Borough.
2. Only use current plans to inform the strategy
3. Do nothing.

Option 1 is seen as the most beneficial as it considers all the aspects, both current and future, and the new Administrations direction in developing the strategy.

Current situation

At their meeting of 24 May, Cabinet agreed that one their key priority was to put residents first and treat both residents and businesses as valued customers.

In practice this means ensuring that any interaction is a positive one with the Council being approachable, accessible, responsive and informative through the best use of technology.

The Council provides hundreds of different services to residents and businesses with tens of millions of interactions taking place each year and they therefore 'experience' customer service through many different routes.

The journey through the Council that residents and businesses take to get their needs met are varied and often complex. Part of our strategy will be to understand these journeys better and how they can be improved. There are different types of interactions with the Council – for example, a resident or business may be requesting a service, making a report or complaint, or may

themselves be the subject of enforcement action. In some cases, the resident or business may not like or agree with the outcome, but wherever possible should feel that their case has been handled fairly and efficiently by the Council. Where there are persistent complaints, we will also need to review our policy to ensure it is fair, open and robust.

Many Council services are well managed and the majority of the millions of transactions are handled satisfactorily. However, even where complaints are a small proportion of transactions, a small percentage of a large number is still a large number and we should strive to provide excellent customer service at all times. In some areas there are issues with how services fit together with other Council systems. This can cause avoidable problems and frustrations, harm the customer experience, and lead to excess demand on the council in handling enquiries. Identifying and resolving these problems will be a key part of our strategy to improve the customer experience.

Many residents have felt that the Council was unresponsive when trying to access services, offering little information and showing little empathy to their issues often applying a 'computer says no' response. The Council needs to strengthen residents' trust by ensuring timely and effective responses, seamless customer journeys, a positive experience and ensuring a right balance between digital with more traditional channels.

The Council has a programme of activity to improve customer service but following the pandemic and with putting residents first as the new Administration's key priority, it was felt it was the right time to review how the Council provides the right experience to its customers and develop a cohesive strategy for the future.

In 2008 Access Harrow was created in to help ensure that residents had a joined-up, single point of access to Council services across all channels. The staff in Access Harrow are trained to resolve a high percentage of enquiries but is sometimes the link between the customer and the 'front-line' delivery service. Often this link is complex and can be difficult for the customer to traverse. Good, joined up technology and process are essential to smooth the customer journey as is understanding and predicting their needs.

By 2016 the Access Harrow Contact Centre was handling over a million calls and 150,000 emails per annum. Throughout the last few years that single point of access has significantly transitioned away from traditional channels such as face-to-face, email and telephony to digital with just over 95% of enquiries handled through self-service.

The Council handled over 6,000,000 enquiries throughout 2021/22 and whilst more than 5.1 million were managed through the Council's website over 600,000 telephone calls and 80,000 emails were responded to.

The strategy to move away from traditional channels was both based on changing customer trends (to move to on-line, digital channels) and on the need to manage services within a reduce budget envelope aligned to the Council's Medium Term Financial Strategy

It was always recognised that some customers would not be able to interact with the Council through digital channels either as they did not have the means or the skills. Additionally, some requests of the council are more complex and require more detailed understanding and handling for which digital channels may not be suitable. For these reasons alternative options and assistance was put in place.

A set of principles has been designed in order to improve the customer experience.

Vision and Principles

This aim of the strategy is to lay out the Council's direction to improve the customer experience by putting residents first and treating both residents and businesses as valued customers.

A set of principles are proposed to underpin the strategy:

- Reduce the need for contact – be upfront and proactive when there is a problem and eliminate avoidable contacts through reducing the need to make contact in the first place through well run services.
- When a resident interacts with the Council, it will be a positive customer experience
- Ensure customers have a seamless journey through the Council for all their needs through joined-up technology, processes and information
- ensure self-service is engaging and simple to use so that digital is the channel that residents actively choose.
- Provide alternative channels where required to support people to self-serve or provide an alternative means of contact for more complex issues
- Follow up with the customer either for a progress update and to set expectations or to confirm that the request has been resolved
- Ensure that Council services are the best that they can be; focussed around the customer and built on efficient processes.
- The IT infrastructure should be centrally controlled and effectively utilised by staff to the benefit of the residents.

More details on these principles are at Appendix A.

It is proposed a costed plan is produced that will provide the detailed approach to implementing the principles. The plan will be developed within existing resources and will include:

- Business analysis including resident feedback, service feedback

- The governance and suitability of the IT infrastructure to support the proposals
- The programme of work required to implement the proposals
- Any associated costs, potential efficiencies and resident benefits
- The Equality Impact Assessment

The detailed plans will outline any associated cost of implementation and financial efficiencies which will be agreed on a case-by-case basis as part of the budget setting process for 2023/24 to ensure that there is no additional strain on the MTFS

Implications of the Recommendation

Considerations

Customer Service is the responsibility of all staff in the Council and a cultural reset is required across the organisation to ensure that improving the customer experience is an end-to-end process. Ensuring technology is joined up and introducing improvements methods, such as those used in Whole Service Review process, will be a key aspect of the programme.

Once the programme of work has been agreed the corporate governance will be set up to make certain the aims are achieved and reflected across the Council structure.

Resources, costs

The cost of the researching and producing the feasibility study will be met within existing budgets.

Staffing/workforce

The Whole Service Review process will introduce a mindset of continuous improvement to actively improve Council services.

A modular training programme around Customer Service and the Customer Experience will be put in place to develop staff skills.

The structure and governance arrangements of how the customer experience is led across the Council will be reviewed as part of this process.

Ward Councillors' comments

Not Applicable

Performance Issues

New performance measures will be agreed and reviewed to monitor improvements

Environmental Implications

There are no environmental implications associated with this report

Data Protection Implications

There are no data protection implications associated with this report.

There is an active Privacy Impact Assessment for Digital

Risk Management Implications

Risks included on corporate or directorate risk register? **YES**

“The Council provides a poor customer service” is included on the corporate risk register and rated at C3 (medium likelihood/moderate impact)

Separate risk register in place? **NO**

Are the relevant risks contained in the register are attached/summarised below? **NO**

The following key risks should be taken onto account when agreeing the recommendations in this report:

Risk Description	Mitigations	RAG Status
The strategy does not achieve its aim in improving the customer experience	<p>Commencement of Whole Service Reviews to improve service quality reduce failure demand and generate efficiencies to ensure no additional strain on the MTFS.</p> <p>Creation of Senior Level task force to drive improvements</p> <p>Roll out of detailed plans to improve customer service for specific services that have high levels of complaints</p> <p>Redesigning the current complaints process covering how the Council handles complaints</p> <p>Design of a staff training programme to improve customer service and complaint handling</p>	GREEN
The cost to introduce the strategy cannot be met within current budgets	<p>Early understanding of, and engagement on, potential costs.</p> <p>The individual business cases must identify both cost and efficiencies to ensure affordability</p> <p>Reduce or extend the scope of the strategy</p>	AMBER
Legacy Systems prevent technology from being joined up causing the standard of custom service to fall below the expected standard	<p>Devolved applications report to CSB to assess benefit of centralising IT system support</p> <p>Analysis of digital capabilities of each legacy system</p> <p>Access to range of tools (FME, web services, APIs, RPA) to link data</p>	GREEN
The cultural reset required across the Organisation to ensure that improving the customer experience is an end-to-end process fails	<p>Customer Experience modular training to be launched</p> <p>Senior management engagement and updates to the corporate board</p>	AMBER

Risk Description	Mitigations	RAG Status
leading to poor customer service.		

Procurement Implications

There are no procurement implications associated with this report

Legal Implications

Development of this strategy falls within the terms of reference of Cabinet.

Financial Implications

The cost of the feasibility study can be funded from within existing budgets.

There is no specific budget provision to support the Customer Experience Strategy. Within the strategy, it is envisaged that there will be individual business cases which will have to identify efficiencies to cover any associated costs to ensure there is no additional strain on the MTFS. Even though the business cases will be cost neutral, they need to still be considered as part of the annual budget setting process for governance purposes.

There is a risk to this strategy's introduction that funds may not be available as outlined in the risk section.

Equalities implications / Public Sector Equality Duty

A full Equality Impacts Assessment will be conducted in tandem with the options scoped out through the feasibility study.

Section 3 - Statutory Officer Clearance

Statutory Officer: Dawn Calvert

Signed by the Chief Financial Officer

Date: 1 July 2022

Statutory Officer: Jessica Farmer

Signed on behalf of the Monitoring Officer

Date: 4 July 2022

Chief Officer: Charlie Stewart

Signed by the Corporate Director

Date: 30 June 2022

Head of Procurement: Nimesh Mehta

Signed by the Head of Procurement

Date: 29 June 2022

Head of Internal Audit: Susan Dixon

Signed by the Head of Internal Audit

Date: 4 July 2022

Mandatory Checks

Ward Councillors notified: No, as it impacts on all wards

EqIA carried out: NO

A full Equality Impacts Assessment will be conducted in tandem with the options scoped out through the feasibility study.

Section 4 - Contact Details and Background Papers

Contact: Jonathan Milbourn, Head of Customer Services & Modernisation, jonathan.milbourn@harrow.gov.uk, tel. 020 8736 6711

Background Papers: None

Call-in waived by the Chair of Overview and Scrutiny Committee - NO

Improving the Customer Experience

45

The Current Situation

- There is a high demand on Council services with customer interactions in the tens of millions each year.
- These include provision of services for individuals, households, partners and for the wider community where we are enforcing the law normally on a specific individual.
- Most services are well run, but we appreciate that there is work to do.
 - Although the majority of customer demand is managed well, a small percentage of a 'large number' is still a 'large number'.

46

Vision Statement

On the 24 May Cabinet agreed that a key priority of the Council would be to put its residents first and treat both residents and businesses as valued customers.

Ensuring residents and other customers always have a positive experience when they contact the Council is paramount.

In practice this means ensuring that any interaction is a positive one with the Council being approachable, accessible, responsive and informative through the best use of technology.

Improving the Customer Experience - Principles

- **Create a positive customer experience** – when the resident needs to contact the Council by whatever means
- **Reduce the need for contact** – get things right first time and be proactive when there is a problem.
- **Ensure customers have a seamless journey through the Council for all their needs** – through joined-up technology, processes and information
- **Digital – the channel of choice** – ensure self service is simple to use and engaging so that it is the channel that residents actively choose
- **Provide alternative channels where required** – support people to self serve or provide an alternative means of contact for more complex issues
- **Aftercare** – follow up with the customer either to set expectations or check that the job is complete
- **Services are the best that they can be** – ensure that services are built around the customer

Create a positive customer experience

- Its everyone's responsibility
- Resolve the issue or offer solutions in good time
- Manage expectations
- 49 • Standard response times for services which are understood by all
- Communicate variance in standard service times if needed to customers
- Officers skilled in customer service, talking and writing simply, accurately and with the customer in mind
- Understand who is the customer when it comes to enforcement and act accordingly.
- Ensure the persistent complaint procedure is effective and understood.

Reduce the need for contact

- Getting things right first time to avoid the need for complaints
- Understand where we are not getting things right first time and quickly correcting the problem as well as answering the customer
- Using data and focus group, picking up recurring issues and proactively resolving them

50

Reduce the need for contact

- Proactive communication with the customer (eg. providing early information on major roadworks)
- 51 Provide information that is accurate timely and easy to understand
- Reducing the need to call
 - Digital post with embedded links
 - Website promotion (e-newsletter, what's new)

Seamless Customer Journeys

- Always consider the whole customer journey with the front and back end joined up
- Joined up digital and technology platforms and associated processes that allow information to flow as required by the customer.
- 52 Ensure staff have all the information they need to hand when talking to customers and can directly capture information customers provide directly into the IT system.
- Move from Devolved to Unified Apps model to help ensure IT integration.

Digital – the channel of choice

- Website quick & easy to use so that customers prefer to use it
 - Consistent look & feel
 - Personalisation
 - Tracking & Online progress checking
 - Effective & seamless signposting through outbound communication

53

Provide alternative channels where required

- Helping customers to use digital channels
- Introduction of web chat, co-browsing, videoconferencing and other modern channels
- Use of Digital Champions to assist those who need help
- Understanding of which customers need to use phone and F2F

54

Provide alternative channels where required

- Resourcing the Contact Centre appropriately with levels of skilled staff to manage F2F and telephony with plans to handle surges.
- Understanding where people want to speak to somebody where the service is
55 Online only
- Move of general enquires through Library service, starting with Greenhill
- Use of Resident and Member focus groups to understand the issues

Aftercare

- Updating with progress
 - Online Tracking
- Use of 'Near Me' geo-positioning functionality to provide updates
- Manage expectations
- Confirm completion of the request and ask for customer feedback
- A clear and robust Complaints process for when things go wrong

56

Services are the best that they can be

- Using data, define where the key issues are and the root of the problem.
- Customers at the heart of service design
- Understanding the end-to-end journey from the customer perspective
- Continual improvement of whole customer journey
- Process and technology considered together.
- The customer experience is built into project documentation

Services are the best that they can be

- Staff trained in improvement techniques such as systems thinking
- Ideas generated by staff and by customers

58

- Central small team of continuous improvement experts to be centre of excellence supporting services.
- Review where we use the Whole Service Review model

Structure & Governance

- Services own their whole customer journeys
- Joined up front end of the Journey through Access Harrow
- Resource PH as Cabinet Lead
- 59
- Senior Customer Experience officer lead to bring focus, ensure high level of standards and act as centre of excellence.
- Customer Experience Board, with senior representatives from across the council reporting to Leader/PH and CSB, to lead the introduction of the Customer Experience Strategy, and ensure performance is developed and maintained
- Customer service champions

What are we bringing back?

- The plan to implement the CS Strategy
- Business analysis including resident feedback, service feedback
- The governance and suitability of the IT infrastructure to support the proposals
- The programme of work required to implement the proposals
- The associated costs and benefits
- The Equality Impact Assessment



Report for: Cabinet

Date of Meeting:	18 th July 2022
Subject:	Homes for Ukraine Scheme
Key Decision:	Yes - by virtue of level of revenue spend over £500,000
Responsible Officer:	Charlie Stewart - Corporate Director Resources
Portfolio Holder:	Cllr Jean Lammiman - Portfolio Holder for Communities and Culture
Exempt:	No
Decision subject to Call-in:	Yes
Wards affected:	All
Enclosures:	Equalities Impact Assessment

Section 1 – Summary and Recommendations

This report sets out The Council's approach to delivering the Government's Homes for Ukraine Programme

Recommendations:

Cabinet is requested to:

1. Authorise the Director of Strategy and Partnerships, in consultation with the Portfolio Holder of Communities & Culture, to spend the expected grant received from the Government to support the Homes for Ukraine scheme, which is expected to be in the region of £2.1m in 2022/23;
2. Approve the outcomes and principles for the programme, which will guide the expenditure decisions;
3. Note the contracts with The Romanian and Eastern European Hub, Two Generations, Voluntary Action Harrow, Citizens Advice and Harrow Law Centre to deliver certain aspects of the programme.

Reason (for the recommendations): To ensure that the Council is able to carry out its role in running checks and assessments on hosts and guests as part of the Homes for Ukraine Scheme.

Section 2 – Report

Introductory paragraph

Following the invasion of Ukraine, the Government launched the Homes for Ukraine scheme in March 2022. This report sets out the Council's approach to meeting our responsibilities under this programme, namely; running background checks on sponsors and the accommodation they offer to ensure that placements are safe and suitable and to help the newly arrived Ukrainian citizens adapt to life in the UK and their new home.

Options considered

1. To redeploy existing staff to deliver the programme

This option was rejected as organisational capacity is already stretched with the need to progress with other organisational priorities.

2. To recruit additional capacity to support the running of the programme in house

Recruiting additional resource to be able to run the programme in-house would take significant time to be able to run a recruitment and appointment process. As refugees were arriving within a matter of weeks we needed to be able to resource and scale up the programme urgently.

This option was partially rejected for the running of the programme, but we have used the resources made available through the programme to bring in additional capacity in the Policy Team, Children's safeguarding, housing and Revenues and Benefits teams to be able to support the increased workloads as a result of the programme.

3. To partner with local organisations in the delivery of the programme

Harrow is fortunate to have Voluntary and Community Sector (VCS) organisations that have specialist skills and knowledge with the ability to start work immediately. Working with partners therefore brings much needed capacity and skills (such as Ukrainian and Russian speakers, expertise in home-share and matching) and ensures our service is culturally appropriate and provides good value for money. It was therefore decided we would take an approach that partners with local organisations.

Background

The Homes for Ukraine scheme was launched on 14 March 2022 by the Secretary of State for Levelling Up, Housing and Communities, offering a route to the UK for Ukrainian refugees who wanted to leave the Ukraine.

This scheme is open to Ukrainian nationals who were residents in Ukraine prior to 1 January 2022 and also to their immediate family members to be sponsored to come to the UK. The number of people who can access this scheme is uncapped and is dependent on the capacity of the sponsors who come forward.

Ukrainians can also enter the UK via the Family Visa route – there is no funding attached for services as a result of Ukrainians arriving via this route.

When a sponsor and refugee has put in a visa application, local authorities are informed about the match via the Government's Foundry data management page for the programme, which all local authorities are given access to.

Guests will be able to live and work in the UK for up to 3 years under the visa scheme set up through the Homes for Ukraine Programme, which will allow them to access benefits, healthcare, employment, and other support. Those arriving need to meet standard security checks prior to being issued with a visa. Sponsors and all adults in sponsors' households will also be subject to

initial Police National Computer (PNC), criminal records and Warnings Index checks by the Home Office. Guests arriving from Ireland should only travel to the UK once they have a visa.

Under this scheme, sponsors in the UK are expected to host Ukrainian individuals or families for a minimum of six months. The scheme is funded with local authorities receiving a total of £10,500 per Ukrainian arrival.

The local council is responsible for initial checks, including at least one in person visit, payments to sponsors (of £350 per household per month for the six-month period), ongoing support, school places, and information about the local area. Following the guest(s)' arrival, councils should confirm as soon as possible that the guest is well and that there are no welfare concerns or needs for care and support. Where there are concerns for the safety or welfare of a child, the Council will follow its usual processes in line with [Working Together to Safeguard Children](#) which may include further assessments. The scheme is not meant for unaccompanied children as it stands; however, the Government is currently considering options for how Ukrainian minors who are not travelling with or joining their parent or legal guardian could be supported to travel to the UK. Where it is suspected that an adult may have care and support needs, a needs assessment will be undertaken in line with the requirements of the Care Act 2014.

The role of the Council is as follows:

1. Initial checks
 - Safeguarding checks carried out by the Multi-Agency-Safeguarding Hub (MASH)
 - Council Tax checks on address to check it exists
2. Assessments
 - Combined Host Family Assessment (practicalities, safeguarding) and Home Assessment (suitability, safety)
 - These are virtual (zoom, WhatsApp video) carried out by local social enterprise 2Generations and can be in person if Sponsor Households don't have the technology
 - DBS checks
3. Home Visits
 - The above assessments risk-assess the homes and flag any concerns that require a home visit by Council officers (safeguarding or housing)
 - The assessments also help the Romanian and Eastern European Hub (RO-EE) prioritise home visits for the initial Welfare Assessment of Ukrainian arrivals
4. Payments
 - e-registration form for Thank You payment processed by the Revs and Bens team
5. Welcome Support
 - In person visit by the Romanian and Eastern European Hub (Ro-EE hub)

- Ongoing support to access public services, for cultural and social integration, translation and interpretation will be offered by Ro-EE in partnership with Citizens Advice Harrow and the Harrow Law Centre
- Ro-EE to issue £200 subsistence payment
- On-going support and contact

6. Communications

- Introductory letter to sponsors and Ukrainian guests, webpages, Sponsors forum

7. Post Six-month arrangements

- Extending arrangements
- Re-matching
- Move to independence or return home

Table 1: summary of roles and responsibilities

	Council	Two Generations	Ro-EE Hub	VAH
Host Family Assessment: Speak with the residents in the home to ensure that everyone is supportive of the sponsor arrangements		X		
Home Assessment: Check the accommodation is suitable to support the number of refugees allocated		X		
Complete the necessary DBS checks				X
Arrange for the monthly £350 payment to the sponsor household for an initial period up to 12 months	X			
Welfare Needs assessment of refugees (are children with a parent or close family relative, health, medical, disability needs)			X	
Facilitate the registration at health centres, early years settings, schools and colleges as appropriate			X	
Make an initial payment of £200 to each refugee	X		X	
Support the refugees to access benefits, training and/ or employment			X in partnership with CAB and Law Centre	

	Council	Two Generations	Ro-EE Hub	VAH
Support the refugees to integrate into the local community			X	
Refer to specialist services as necessary			X	
Provide the date of the initial check to the government through the completion of the Homes for Ukraine database	X			
Provide support with any alternative accommodation should the home sponsor arrangements breakdown - See separate re-matching process	X	X	X	

Homes for Ukraine Programme Outcomes

The Council has developed the following outcomes for our local approach to the Homes for Ukraine Programme:

1. Stability of placement
 - Relationship with sponsor, avoiding homelessness, avoiding sponsorship breakdown and further upheaval, ability to arrange alternatives quickly if things do breakdown.
2. Feel settled in the borough
 - Source of income, immigration status, social and cultural integration, access to food, employment, education, skills and other local services
3. Support to manage health and well-being
 - Ability to process emotional impact of trauma, and psychological impact, safe spaces to go and/or talk, access to counselling, talking therapies, therapeutic activities, social and cultural opportunities, access to health and social care services if needed
4. Transition to independence or safe return home
 - Depending on aspirations of individuals after 6 months, look to secure accommodation, employment options, language skills, as well plan for further options at the end of the three-year visa

The above outcomes would be delivered using the following principles:

- Work with partners to understand the needs of the Ukrainian community,
- Actions and interventions would be evidence and insight based, and
- Equity and consistency with other refugee schemes.

Resources and Costs

On 23rd March 2022, the Council's Corporate Strategic Board approved the proposal to work with Voluntary and Community Sector (VCS) organisations to deliver the programme including the Romanian and Eastern European Hub (Ro-EE), Two Generations, Voluntary Action Harrow, Citizens Advice and Harrow Law Centre to deliver the refugee welcome service and wrap around support for this group. Crucially, these organisations will bring in specialised knowledge, language ability, and capacity from the voluntary sector to deliver support to Ukrainian refugees that doesn't currently exist within the council. It was also agreed that funding from the government based on the calculation of £10,500 per Ukrainian refugee with an initial planning assumption of 80 refugees linked to 46 sponsors would be used to fund the range of work needed for this programme. These planning assumptions amounted to a total expected government grant from the scheme of £840,000.

Since then, the numbers have increased substantially with 134 refugees already in the borough as of 5th July. This means the currently available funding for the programme is already at £1,407,000. Our new planning assumption based on the number of sponsor and refugee applications already in the system is that we will receive circa 200 refugees for the programme. This amounts to a total of **£2,100,000 in estimated external government funding for the Homes for Ukraine programme in Harrow.**

Expenditure relating to 2022/23	
	Value
Phase 1	
2Generations	£35,000
Ro-EE	£90,000
CAB	£25,000
Law Centre	£25,000
Policy Team staff	£100,000
Housing staffing	£90,000
Childrens social worker	£90,000
Community Grants	£50,000
£200 Subsistence payments	£35,800
Revs & bens Admin	£45,000
Childrens BSS overtime for Allpay	£750
Home improvement expenses	£5,000
DBS	£35,000
Total Tariff	£626,550
Phase 2	
2Generations re-matching	£30,000
Housing	£300,000
Community Grants	£50,000
Nursery fees	TBC

Expenditure relating to 2022/23	
Ro-EE	£107,000
Subsistence top up payment	£36,000
Analyst Capacity	£50,000
Other requirements arising from Ukrainian arrivals needs analysis	TBC
Total Estimated Phase 2 spend	£573,000.00

Estimated Value of Grant for H4U Programme	£2,100,000
Phase 1 commitments	£626,550
Phase 2 estimated commitments	£573,000
Remaining Funding	£900,450

This pot of funding will cover other commitments for the programme including Phase One Council staffing costs, accommodation checks by Two Generations, DBS checks by Voluntary Action Harrow, welfare checks by the Romanian and Eastern European Hub, funding for Citizens Advice Harrow and Harrow Law Centre to support for new arrivals, and the £200 payments to new arrivals.

Phase 2 of the programme includes costs for potential rematching refugees with other sponsors, housing costs for incentivising landlords and accounting for void rent in the private rented sector market, community grants, subsistence top up payments if Universal Credit applications are delayed and analyst capacity. With regards to the housing costs for Phase 2, there is a strong reality that the ability to procure properties at Local Housing Allowance rates will be challenging in the current private rented sector environment. Hence, the proposed spend is an estimation which will be determined by market conditions.

Phase 2 of the programme will also allow for budget to be able to respond to the on-going needs of the refugees.

The council will also be reimbursed on a quarterly basis for the monthly £350 thank you payments we process for the hosts.

The council will also receive an education tariff. The Department for Education (DfE) will allocate funding on a per pupil basis for the 3 phases of education at the following annual rates:

- Early years (ages 2 to 4) - £3,000
- Primary (ages 5 -11) - £6,580
- Secondary (ages 11-18) - £8,755

These tariffs include support for children with special educational needs and disabilities (SEND). This will be S14 funding for the local authority to determine

how to spend and we will decide this in partnership with schools. Methodology for how this funding will be allocated is still being developed by DfE, but we anticipate the funding being paid in mid-July for both the Ukraine scheme and the two Afghan schemes that the Council is also supporting.

Performance Issues

The following is data as of 5th July 2022.

Total Refugees who have applied for Visas	Total Refugees that have arrived in the Borough	RO-EE Hub Home Visit completed vs those with visa status 'arrived'	£200 payment card activated following RO-EE Home Visit	All checks passed (households)
251	134	117	112	45
		87%	96%	38%

Row Labels	Refugee visa status	%
Arrived	134	53.4%
Issued	56	22.3%
Confirmed	21	8.4%
Missing		
Application	25	10.0%
Pending	13	5.2%
Refused	2	0.8%
Grand Total	251	100.00%

Total Sponsors/households	of which withdrawals confirmed on Foundry system	Sponsor contacted and e-form sent	Address checked against CT
132	6	131	128
		99%	97%

DBS Verification completed and received for all members of household	e-form received	Thank you payment set up following completion of all checks
85	65	42
67%	83%	

Environmental Implications

Given the relatively small number of refugees arriving there is no expectation of any environmental implications.

Data Protection Implications

Data sharing agreements are in place with partners to enable the approach set out in this report to work effectively.

All data sharing and processing must comply with the GDPR and the Data Protection Act 2018.

Risk Management Implications

Risks included on corporate or directorate risk register? **No**

Separate risk register in place? **Yes**

The following key risks should be taken into account when agreeing the recommendations in this report:

Risk Description	Mitigations	RAG Status
Refugees staying in unsafe and unsuitable accommodation	<ul style="list-style-type: none"> ▪ Checks process and weekly liaison across the partnership on specific cases where there is any concern ▪ Liaison with Foundry to improve the data we receive 	Amber
Homes for Ukraine accommodation arrangements come to an end because of breakdown or practical reasons putting pressure on the council to provide accommodation	<ul style="list-style-type: none"> ▪ 6 month check in process with hosts and guests (which starts 3 months into an arrangement) ▪ Re-matching process in place 	Amber

Risk Description	Mitigations	RAG Status
	<ul style="list-style-type: none"> ▪ Pro-actively working to secure alternative accommodation options 	
<p>Suitable accommodation found at the end of the 6 month initial period</p>	<ul style="list-style-type: none"> ▪ Pro-actively working to secure new accommodation options suitable for families at the end of 6 months, including setting out a fund for incentive payments (and potential void costs) for landlords from the allocated govt funding ▪ Lobbying of Government to continue sponsor household involvement where this remains to be working well for both sponsor and guest(s) 	Red
<p>Pressure of council services from refugees arriving via other visa routes which do not have funding attached to them</p>	<ul style="list-style-type: none"> ▪ Regular monitoring of situation via schools, social care and housing ▪ On-going lobbying of Government on behalf of those that came in via the Family Visa route being able to move onto the Homes for Ukraine scheme if their initial family placement breaks down 	Amber
<p>Inability to meet the unique needs of Ukrainian arrivals</p>	<ul style="list-style-type: none"> ▪ Ro-EE employing Ukrainian caseworkers and volunteers. This means that cultural know-how and needs are embedded within the organisation 	Green
<p>Demand for the service exceeds capacity</p>	<ul style="list-style-type: none"> ▪ The Policy team is monitoring the number of new potential sponsors and refugees that are appearing on the Home Office matching system. If numbers exceed current estimation, the additional external funds that will be made available to Harrow 	Green

Risk Description	Mitigations	RAG Status
	can be used to increase capacity	
Impact of contracting refugee services leading to a slowdown of accessing services	<ul style="list-style-type: none"> ▪ Close monitoring of refugee outcomes in the form of monthly reporting that can highlight any areas of lag that can be addressed asap. 	Green
Large number of arrivals around the same time	<ul style="list-style-type: none"> ▪ Harrow has chosen to adopt a model of working with several VCS partners and a network of referrals to lessen the load on each individual organisation. This will ensure that the services are able to cope with a higher load. 	Green
Failure of the programme to achieve outcomes	<ul style="list-style-type: none"> ▪ Close monitoring of refugee outcomes via monthly reporting from partners, particularly the Ro-EE Hub as well as regular work in progress meetings with VCS partners 	Amber
Fraud	<ul style="list-style-type: none"> ▪ Multiple safeguards including checking Council Tax records of sponsors, verifying properties via background and accommodation checks, in-person visits to the property upon guests' arrival, verifying guest documents in person before activation of pre-paid Allpay cards. 	Green
Overspending	<ul style="list-style-type: none"> ▪ As highlighted above, the programme's budget has a healthy buffer in unallocated funds, given the economy of scale in delivering a programme for a fairly large group of refugees where funding is provided per individual resettled. The planning assumptions put forward 	Amber

Risk Description	Mitigations	RAG Status
	are based on conservative numbers of arrivals and do not take into account the arrival of all individuals on the Home Office list as well as newer applicants who continue to be added to the list. Budgets and spending are monitored closely by the programme management team to prevent overspend.	

Procurement Implications

As an emergency response, the Council entered into a number of contracts with local Voluntary and Community Sector organisations. These are set out below and have all followed the appropriate procurement advice. Given the speed at which the Council needed to respond, all of these procurements have been exempt from competitive tendering with the appropriate waivers obtained. In addition, the Ro-EE is the sole supplier in Harrow who have the specialised cultural knowledge and ability to deliver this specific service at this point, given that the Ukrainian community in the borough is a nascent one with limited VCS presence and this service offers language and cultural awareness which no other service can provide.

Organisation	Role	Funding (£'000s)	Length of contract
The Romanian and East European Hub	Refugee welfare checks and wrap around resettlement support	£197	One year (April 2022- March 2023)
2Generations	Sponsor and accommodation checks; rematching	£65	One year (April 2022- March 2023)
Citizens Advice Harrow	Generalist Information and Advice, including benefits claims	£25	One year (April 2022- March 2023)
Harrow Law Centre	Specialist advice such as immigration	£25	One year (April 2022- March 2023)

Voluntary Action Harrow	DBS checks	£35	One year (April 2022- March 2023)
-------------------------	------------	-----	-----------------------------------

Legal Implications

The Homes for Ukraine Programme is a Government scheme, which allows local residents to put their homes forward to support Ukrainian refugees who wish to come to the UK. In signing up as a sponsor, the Council is obliged to put in place such arrangements to assess suitability of the Household and its occupants so as to safeguard the Ukrainian refugees when they arrive in the UK. As such, the Council is following its statutory duties insofar as safeguarding is concerned and the appropriate advice and sign off of suitability of accommodation to meet refugee/guests needs.

The government has issued Guidance for Councils. We have a statutory duty to promote the welfare of adults and children at risk and we have a number of responsibilities under the scheme, including to carry out accommodation checks, DBS checks, and welfare checks.

Financial Implications

The Council expects to receive a total of £2,100,000 in estimated external government funding for the Homes for Ukraine programme in Harrow, and currently has planned or committed expenditure of just under £1.2m, leaving circa £900,000 of unallocated funds. The Council will ensure that any future expenditure for the Programme is delivered within this £900,000 envelope, ensuring no additional monies are required to support the obligations to Ukrainian guests. Therefore, financial monitoring will continue in line with the current budget management and monitoring principles.

Equalities implications / Public Sector Equality Duty

The Homes for Ukraine scheme and the proposals therein caters to a predefined group of refugees who are arriving in the borough and hence will not result in unlawful discrimination, harassment, victimisation and other conduct prohibited by the Equality Act 2010.

The scheme will advance equality of opportunity among those of Ukrainian ethnicity and in particular Ukrainian females given the disproportionate impact of the war and displacement on these two groups.

The scheme will foster good relations between people from different groups through the wider integration support offered to Ukrainian arrivals and related workstream planned to help Ukrainian arrivals feel welcome and settled in the borough.

Council Priorities

The Homes for Ukraine Scheme ensures appropriate support is given to sponsor households and their Ukrainian guests. To this aim, all the Council's support and work will be putting Residents First.

Section 3 - Statutory Officer Clearance

Statutory Officer: Dawn Calvert

Signed by the Chief Financial Officer

Date: 21st June 2022

Statutory Officer: Stephen Dorrian

Signed on behalf of the Monitoring Officer

Date: 22nd June 2022

Chief Officer: Charlie Stewart

Signed off by the Corporate Director

Date: 21st June 2022

Head of Procurement: Nimesh Mehta

Signed by the Head of Procurement

Date: 22nd June 2022

Head of Internal Audit: Susan Dixon

Signed by the Head of Internal Audit

Date: 27th June 2022

Mandatory Checks

Ward Councillors notified: NO, as it impacts on all Wards

EqlA carried out: YES

EqlA cleared by: Shumaila Dar

Section 4 - Contact Details and Background Papers

Contact: Alex Dewsnap, Director of Strategy and Partnerships,
alex.dewsnap@harrow.gov.uk

Background Papers: None

**Call-in waived by the Chair of Overview and Scrutiny
Committee**

NO

You will need to produce an Equality Impact Assessment (EqIA) if:

- You are developing a new policy, strategy, or service
- You are making changes that will affect front-line services
- You are reducing budgets, which may affect front-line services
- You are changing the way services are funded and this may impact the quality of the service and who can access it
- You are making a decision that could have a different impact on different groups of people
- You are making staff redundant or changing their roles

Guidance notes on how to complete an EqIA and sign off process are available on the Hub under Equality and Diversity. You must read the [guidance notes](#) and ensure you have followed all stages of the EqIA approval process (outlined in appendix 1). Section 2 of the template requires you to undertake an assessment of the impact of your proposals on groups with protected characteristics. Equalities and borough profile data, as well as other sources of statistical information can be found on the Harrow hub, within the section entitled: [Equality Impact Assessment](#) - sources of statistical information.

Equality Impact Assessment (EqIA)		
Type of Decision:	<input checked="" type="radio"/> Cabinet <input type="radio"/> Portfolio holder <input type="radio"/> Other (state)	
Title of Proposal	Homes for Ukraine	Date EqIA created: June 2022
Name and job title of completing/lead Officer	Alex Dewsnap, Director of Strategy and Partnerships	
Directorate/ Service responsible	Resources/Corporate Policy	
Organisational approval		
EqIA approved by: EDI Team	Name Shumaila Dar, Head of EDI	Signature <input checked="" type="checkbox"/> Tick this box to indicate that you have approved this EqIA Date of approval 30/06/22

1. Summary of proposal, impact on groups with protected characteristics and mitigating actions (to be completed after you have completed sections 2 - 5)	
a) What is your proposal?	<p>The Homes for Ukraine scheme was launched in March 2022 in response to the war in Ukraine and offers a route to the UK for Ukrainian nationals and their immediate family members who have named people in the UK willing to sponsor them by becoming a host.</p> <p>The programme is a fully funded one with the council receiving £10,500 per individual resettled in borough with additional funding for education for children between ages 2-18. The outcomes the council has developed for our local approach to the Homes for Ukraine programme are a) stability of placement b) feeling settled in the borough c) support to manage health and well-being d) transition to independence or safe return home.</p> <p>In order to deliver the above, Harrow will work with a range of Voluntary and Community Sector (VCS) organisations that have specialist skills while building in new capability and cultural know-how within organisations in relation to supporting Ukrainians, which is nascent community in the borough.</p>
b) Summarise the impact of your proposal on groups with protected characteristics	<p>The Homes for Ukraine programme works to support a predetermined cohort of Ukrainian nationals and their immediately family members who are matched with hosts in Harrow and whose details are provided by the Homes Office/DLUHC. As such, the programme and its outcomes do not have an impact on wider groups in the borough, although it will have a net positive impact on the Ukrainian community in the borough and the VCS infrastructure that is being set up to deliver support to this cohort. It will also have a positive impact on Ukrainian females given this group is over-represented in recent refugee arrivals as a result of the war and conscription in Ukraine.</p>
b) Summarise any potential negative impact(s) identified and mitigating actions	<p>The EqIA has not identified any negative impacts on groups with protected characteristics.</p>

2. Assessing impact					
You are required to undertake a detailed analysis of the impact of your proposals on groups with protected characteristics. You should refer to borough profile data , equalities data , service user information, consultation responses and any other relevant data/evidence to help you assess and explain what impact (if any) your proposal(s) will have on each group. Where there are gaps in data, you should state this in the boxes below and what action (if any), you will take to address this in the future.		What does the evidence tell you about the impact your proposal may have on groups with protected characteristics? Click the relevant box to indicate whether your proposal will have a positive impact, negative (minor, major), or no impact			
Protected characteristic	For each protected characteristic, explain in detail what the evidence is suggesting and the impact of your proposal (if any). Click the appropriate box on the right to indicate the outcome of your analysis.	Positive impact	Negative impact		No impact
			Minor	Major	
Age	<p>Harrow has a resident population of 251,160¹. It has an above average working age population aged 16-64 of just under 63% (158,000) and a growing younger population aged 0-15, which is higher than the London average².</p> <ul style="list-style-type: none"> As with most areas in the country, the borough has an ageing population. It is expected that the number of residents aged 65 plus will increase by 38% and those aged 85 plus could increase by 60% by 2030³. Data available shows that the pandemic has adversely impacted young people aged 18-24, with 1 in 10 young people out of work⁴. Harrow has one of the lowest proportions of young people Not in Education, Employment and Training (NEETS). However, due to the Covid-19 pandemic, there has been a significant increase in numbers, from 0.8% to 1.8%⁵. <p>Impact - Since the Homes for Ukraine programme has no bearing on wider support to the community but works with a predetermined cohort of Ukrainian nationals and their immediately family members who are being matched with hosts in Harrow, the proposal</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

¹ Nomis 2019

² ONS -2018 mid-year estimates

³ Poppi and Pansi projections to 2030

⁴ DWP Job claimant data April 2021

⁵ NEETS data at December 2020.

	<p>herein has no impact on wider age-related disparities in the population, either among older people or younger people.</p> <p>With regards to the specific cohort of Ukrainian arrivals, age groups are mixed although tending to be adults of working age and children. We also expect to receive a cohort of approximately 75 guests who are between the ages of 2-18, who are travelling to Harrow with their guardian. The support provided through VCS organisations and schools via the funding for the programme as well as additional education related funding will allow the council and education partners to support the additional needs of this cohort, given the language needs, support with benefits, referrals to mental health service providers where appropriate, and other resettlement needs.</p>				
Disability	<ul style="list-style-type: none"> ONS data for 2016-2018 shows that 19,208, (12.2%) of Harrow's working age population have a disability. There is a strong correlation between disability, in particular the extent of the disability, and economic inactivity and therefore experiencing potential financial hardship. <p>Impact – This resettlement programme has no specific impact on those with disabilities in the wider population. Where appropriate, any individuals with disabilities who come to Harrow via the Homes for Ukraine programme will be sign posted to service providers for additional support.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Gender reassignment	<ul style="list-style-type: none"> There is limited national data collected for this characteristic. We will need to consider the inequalities and discrimination experienced for this protected group when data becomes available. The charity GIRES estimated in their Home Office funded study in 2009 the number of transgender people in the UK to be between 300,000 and 500,000. More recently Stonewall advised that it is estimated that around 1% of the population might identify as trans, including people who identify as non-binary. This would represent about 600,000 trans and non-binary people in Britain and about 2,500 people in Harrow. <p>Impact – The Homes for Ukraine programme has no impact on this group in the wider</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	community as it is working only with a fixed cohort of individuals.				
Marriage and Civil Partnership	<p>At the time of the 2011 Census 54% of Harrow's residents were married, which was the highest level in London. 21% of households were married, or in same-sex civil partnerships, with dependent children, the highest level in London. At October 2020 there have been 144 Same Gender Civil Partnerships in Harrow, 25 of which has been converted to a Marriage. There have been 8 Opposite Gender Civil Partnerships. There have been 57 Same Sex marriages.</p> <p>Impact – The Homes for Ukraine programme supports all Ukrainian individuals entering via this scheme regardless of their marriage or civil partnership status, and it has no impact on the wider community with regards to this specific characteristic.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Pregnancy and Maternity	<ul style="list-style-type: none"> • ONS births figures show Harrow as having 3,526 live births in 2019. 14 live births per 1000 population is higher than the England & Wales average of 10.8 • The borough has the worst infant mortality rate in London, at a rate of 5.1 deaths per 1000 live births, which is a strong indicator of poverty and inequality in the borough. <p>Impact – The Homes for Ukraine programme has no impact on wider inequalities linked to pregnancy and maternity in the borough since the impact of the scheme is limited to Ukrainian refugees that are matched with hosts in Harrow. Those who are pregnant or become pregnant will be supported by VCS organisations offering wrap around case-work support by referral to maternity services and ongoing health support via their registration with GPs in the borough.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Race/
Ethnicity

Harrow is one of the most culturally diverse local authorities in the UK, with over 60% of residents from Black, Asian, and Multi-Ethnic backgrounds and an estimated 20% Eastern European community, which is fast growing⁶. EUSS data indicates that Harrow has a significant Eastern European population, including more than 40,000 Romanian settled status applications, which is second only to Newham in the UK..

Table 4.1: Projected ethnic composition of Harrow's population

Ethnic Group	% of Harrow Population		
	2019	2025	2050
Indian	29.1	30.5	33.5
White British	23.3	20.3	15.7
Other White	13.2	13.8	14.1
Other Asian	12.1	12.3	12.4
Mixed Origin	4.6	4.8	4.9
Pakistani	3.9	4.2	4.7
Black African	3.5	3.4	3.3
Black Caribbean	2.8	2.8	2.7
Other Black	2.3	2.6	3.2
Arab	1.9	2.0	2.2
Other Ethnic Group	1.7	1.8	2.0
Chinese	0.9	0.8	0.6
Bangladeshi	0.7	0.7	0.7

Source: GLA 2016-based Demographic Projections, 2017

Note: These are model-based projections and significant levels of uncertainty exist in the data. It should therefore only be taken as an indication of likely changes, with the longer range estimates being the least reliable.

However, the Ukrainian community in Harrow is a nascent one in comparison to the larger groups of Romanian, Polish and other Eastern European nationalities, who would all be captured under the Other White category in the above GLA data set. Preliminary 2021 census data indicates that there were only 310 individuals born in Ukraine who lived in Harrow on census day. In comparison to other Eastern European groups in Harrow such as our Romanian and Polish communities, this represents a very small group in raw numbers, prior to the war in Ukraine.

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
-------------------------------------	--------------------------	--------------------------	--------------------------

⁶ Harrow Economic assessment 2019-2020:population

	<p>Impact – The Homes for Ukraine programme will have a net positive impact on the nascent Ukrainian community given there is very limited VCS infrastructure supporting this community. The funding available via the programme will ensure that new arrivals get the additional support they need and that VCS capability to support this group is being built up via the partnership model adopted by the council for this programme.</p> <p>The wraparound casework support for Ukrainian refugees is being provided by the Romanian and Eastern European Hub (Ro-EE) which is a newly set up VCS organisation whose main service users were Romanians. As a result of the war in Ukraine and the impact of refugees on the border with Romania, this organisation has been involved in support Ukrainian refugees in Romania and in the UK. The funding from the government for the programme is being used to contract Ro-EE to provide support for newly arrived Ukrainians.</p> <p>Ro-EE has employed Ukrainian speaking caseworkers as well as volunteers to carry out the programme. The organisational ability, capacity and reach has been expanded via the additional funding and it has no impact on the existing services provided to the Romanian community in Harrow. On the contrary, the programme has a positive impact in strengthening a key organisation to support the Eastern European community and by expanding its ability to support newly arrived Ukrainians.</p>				
<p>Religion or belief</p>	<p>Data from the 2011 Census and analysis by the GLA's Religious Diversity Indices showed that Harrow had the second highest level of religious diversity of any local authority in England and Wales.</p> <p>Christianity was Harrow's most common religion with 37.3% of followers, followed by Hindu (25.3%). Harrow 's Jewish community was the sixth largest nationally. 37.3% of residents were Christians (the 5th lowest proportion in the country) and 12.5% were Muslims. Harrow had the 2nd lowest ranking for 'no religion'.</p> <p>Impact – While most Ukrainian arrivals tend to be of Orthodox Christianity background, the Homes for Ukraine scheme will support Ukrainian refugees and their immediate families of all backgrounds regardless of their religion or belief. The scheme will also have no impact on wider groups in relation to this characteristic.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Sex	<ul style="list-style-type: none"> The Government's population estimates as of mid-2019 show that the total population of Harrow is now 251,200, made up of 125,800 men and 125,400 women. Overall, the number of males and females living in Harrow is very similar. Economic activity among Harrow's male population is higher than the London average at 86%, compared with 83%⁷. However, economic activity among females in the borough is lower than the London average at 72%. Harrow is a low wage borough, with both men and women that are employed in the borough earning less than the London average of £760⁸ earning less compared to men. Women earn less than men in the borough. Average gross weekly earnings among women working in Harrow is £500, nearly 38% lower than the London average of £688⁹. <p>Impact - Although there is no wider community impact in relation to this specific characteristic, the programme will have a positive impact on female Ukrainian refugees as the bulk of adult arrivals in Harrow via the Homes for Ukraine scheme are female. This is because males have been largely restricted from travelling because of conscription duties by the Ukrainian government. The wrap around support for arrivals, referrals to service providers, help with benefits, help with ESOL and move to work where applicable, will have a positive impact on this group.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sexual Orientation	<p>The Office for National Statistics estimated in 2014, 2.6% of Londoners identify as lesbian, gay, or bisexual, the highest of any UK region, although there is no Harrow specific data¹⁰.</p> <p>Impact - The Homes for Ukraine will support Ukrainian refugees and their immediate families regardless of their sexual orientation. The programme has no impact on the wider community in relation to this specific characteristic.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

⁷ NOMIS: Labour supply (at December 2020)

⁸ NOMIS: earnings by place of work 2020

⁹ NOMIS: earnings by place of work: 2020

¹⁰ Trust for London: London's Poverty profile 2016.

2.1 Cumulative impact – considering what else is happening within the Council and Harrow as a whole, could your proposals have a cumulative impact on groups with protected characteristics?

Yes No

If you clicked the Yes box, which groups with protected characteristics could be affected and what is the potential impact? Include details in the space below

- There will be a positive impact on those of Ukrainian ethnicity who have been resettled under this scheme
- There will be a positive impact on Ukrainian females via the support offered through the programme since most adult arrivals tend to be female

2.2 Any other impact - considering what else is happening nationally/locally (national/local/regional policies, socio-economic factors etc), could your proposals have an impact on individuals/service users, or other groups?

Yes No

If you clicked the Yes box, Include details in the space below

3. Actions to mitigate/remove negative impact

Only complete this section if your assessment (in section 2) suggests that your proposals may have a negative impact on groups with protected characteristics. If you have not identified any negative impacts, please complete sections 4 and 5.

In the table below, please state what these potential negative impact (s) are, mitigating actions and steps taken to ensure that these measures will address and remove any negative impacts identified and by when. Please also state how you will monitor the impact of your proposal once implemented.

State what the negative impact(s) are for each group, identified in section 2. In addition, you should also consider and state potential risks associated with your proposal.	Measures to mitigate negative impact (provide details, including details of and additional consultation undertaken/to be carried out in the future). If you are unable to identify measures to mitigate impact, please state so and provide a brief explanation.	What action (s) will you take to assess whether these measures have addressed and removed any negative impacts identified in your analysis? Please provide details. If you have previously stated that you are unable to identify measures to mitigate impact please state below.	Deadline date	Lead Officer

4. Public Sector Equality Duty

How does your proposal meet the Public Sector Equality Duty (PSED) to:

1. Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
2. Advance equality of opportunity between people from different groups
3. Foster good relations between people from different groups

Include details in the space below

1. The Homes for Ukraine scheme and the proposals therein caters to a predefined group of refugees who are arriving in the borough and hence will not result in unlawful discrimination, harassment, victimisation and other conduct prohibited by the Equality Act 2010.
2. The scheme will advance equality of opportunity among those of Ukrainian ethnicity and in particular Ukrainian females given the disproportionate impact of the war and displacement on these two groups.
3. The scheme will foster good relations between people from different groups through the wider integration support offered to Ukrainian arrivals and related workstream planned to help Ukrainian arrivals feel welcome and settled in the borough.

5. Outcome of the Equality Impact Assessment (EqIA) click the box that applies

Outcome 1

No change required: the EqIA has not identified any potential for unlawful conduct or disproportionate impact and all opportunities to advance equality of opportunity are being addressed

Outcome 2

Adjustments to remove/mitigate negative impacts identified by the assessment, or to better advance equality, as stated in section 3&4

Outcome 3

This EqIA has identified discrimination and/ or missed opportunities to advance equality and/or foster good relations. However, it is still reasonable to continue with the activity. Outline the reasons for this and the information used to reach this decision in the space below.

Include details here



Report for: Cabinet

Date of Meeting:	18 July 2022
Subject:	Revenue and Capital Monitoring 2021-22 – Final Outturn
Key Decision:	Yes
Responsible Officer:	Dawn Calvert, Director of Finance and Assurance
Portfolio Holder:	Councillor David Ashton, Portfolio Holder for Finance and Human Resources
Exempt:	No
Decision subject to Call-in:	Yes
Wards affected:	All wards
Enclosures:	Appendix 1 – Summary of Grants 2021-22 Appendix 2 – Summary of Carry Forwards 2021-22 Appendix 3 – Savings Tracker 2021-22 Appendix 4 – Capital Programme 2021-22 Appendix 5 – Trading Company Update 2021-22

Section 1 – Summary and Recommendations

This report sets out the Council's final revenue and capital outturn position for 2021-22.

Recommendations:

Cabinet is requested to:

1. Note the revenue and capital outturn positions set out in paragraphs 1.2 and 1.3.
2. Approve the proposed additions and amendments to the Capital Programme as set out in paragraphs 3.33 to 3.44
3. Note the Council's Trading Update as detailed in Appendix 5.

Reason: (For recommendations)

To report the 2021-22 financial outturn position and to update Cabinet on trading company performance.

Section 2 – Report

1.0 INTRODUCTION

1.1 This is the final budget monitoring report for 2021-22.

1.2 The final outturn on the revenue budget for 2021-22, after the planned use of reserves which are largely applied to fund one-off projects and cross divisional adjustments including one-off income, is a balanced position after transfers to reserves.

1.3 The final spend on the Capital Programme is £74.646m, 35% of the total budget. The final spend on the General Fund is £44.117m, (39% of budget). The variance of £69.758m is made up of proposed slippage of £64.626m and a net underspend of £5.132m.

1.4 The final spend on the Housing Revenue Account is £30.529m (30% of the budget). The variance on the HRA of £72.116m is made up of budget realignment of £51.980m agreed by Cabinet in February 2022, proposed slippage of £18.322m and an underspend of £1.815m.

2.0 REVENUE MONITORING

The revenue outturn position is balanced following transfers to reserves. The summary of the outturn by each division is set out in Table 1.

Table 1: Summary of Revenue Budget Monitoring – final outturn 2021-22

Service Area	Revised Budget	Outturn	Variance	Contribution/ Drawdown From reserves	Cross Divisional Adjustments	Carry Forwards	Use of one off funding / management actions	Revised Outturn	Variance to budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Resources	39,553	39,076	-477	23	260	233	0	39,592	39
Place	32,909	29,185	-3,724	4,070	-70	1,098	0	34,283	1,374
People's Services	106,369	106,422	53	410	0	0	-757	106,075	-294
Total Directorate Budget	178,831	174,683	-4,148	4,503	190	1,331	-757	179,950	1,119
Corporate	6,189	4,457	-1,732	0	0	0	0	4,457	-1,732
Technical	9,688	14,523	4,835	-2,175	0	0	0	12,349	2,661
Investment Properties	-2,876	-2,937	-61	136	0	0	0	-2,801	75
Transformation	-1,000	0	1,000	0	0	0	0	0	1,000
Covid Grants/Income	-6,551	-9,673	-3,122	0	0	0	0	-9,673	-3,122
Total Corporate Budgets	5,450	6,370	920	-2,039	0	0	0	4,331	-1,119
Uncontrollable Budgets	-4,842	-4,842	0	0	0	0	0	-4,842	0
Grand Total	179,439	176,212	-3,228	2,464	190	1,331	-757	179,439	0

RESOURCES

Table 2: Resources Revenue Outturn 2021-22

Division	Budget	Outturn	To/ (From) Reserves	Cross divisional adjmt	Carry Forwards	Revised Outturn	Variance to budget
	£000	£000	£000	£000	£000	£000	£000
Business Support	3,338	3,291	0	0	0	3,291	-47
Finance & Insurance	3,336	3,370	0	0	0	3,370	34
Management	806	1,384	0	0	0	1,384	578
Strategy	2,849	2,612	-60	260	187	2,999	150
Revenues & Benefits	11,933	10,731	0	0	0	10,731	-1,202
ICT	7,348	7,458	0	0	0	7,458	110
Procurement	681	645	0	0	0	645	-36
Access Harrow	3,514	3,453	0	0	0	3,453	-61
HR	1,647	2,442	-93	0	0	2,349	702
Legal & Governance	3,469	3,163	176	0	46	3,385	-84
Internal Audit/CAFT	632	527	0	0	0	527	-105
Totals	39,553	39,076	23	260	233	39,592	39

2.1 At the end of the financial year the Resources directorate is reporting a net overspend of £39k after taking into account carry forwards, the draw down and contribution to reserves and cross divisional adjustments.

2.2 The net overspend includes £1.517m of modernisation and transformation spend which was planned to be funded from capital flexibilities. However, due to the overall outturn position there was sufficient underspend to fund these costs allowing the capital flexibilities to be preserved to support the MTFS.

2.3 The remaining variances are set out as follows:

- **Business Support** net underspend of £47k due to lower cost of the postal service.
- **Finance and Insurance** - net overspend £34k. This is made up of £88k overspend due to loss of Insurance income as a result of several schools joining the Government's Risk Protection Arrangement. This is partially offset by £54k underspend across the finance teams, mainly due to the lower costs of supplies and services in the Pensions section.
- **Management** – net overspend £578k. This is made up of £618k cost of Flexible Futures and Whole Service Review functions originally planned to be funded from capital flexibilities. This is partially offset by net underspend of £40k across other parts of the management team.
- **Strategy** - net overspend £150k. This is made up of a net overspend of £113k related to the Modernisation programme originally planned to be funded from capital flexibilities. The remaining £37k net overspend is due to smaller variances across the division.
- **Revenues and Benefit** – net underspend £1.202m. This includes an underspend in Benefits of £97k and an underspend in Revenues of £1.105m
- **ICT** – net overspend £110k. Of this, £70k relates to the Modernisation program previously planned to be funded from capital flexibilities. The remaining £40k overspend relates to various items including increased costs of the cloud datacentre.
- **Procurement** – net underspend £36k. This is due to delayed recruitment.
- **Customer Services/Access Harrow** - net underspend £61k. This predominantly relates to difficulties in recruiting Revenues & Benefits staff resulting in vacant positions being left unfilled for a longer period than expected. In previous months, the service has reported £350k unachieved savings within customer services area which are now covered from Covid-19 grant. The service was not able to realise the savings of £350k through staff reduction. The closure of telephone lines was due to take place from 1 October 2020 with the budget reduction being equally split between 2020-21 and 2021-22; however, Covid prevented the start of the programme of work required to channel shift Revenues & Benefits to digital channels. The delays are due to the team working on supporting

CEV residents, the Community Hub, Track & Trace, Testing, the Revenues service, and Virtual meetings as well as a lack of capacity within the service to support discovery and testing. Further decisions will be made in relation to the future of this project.

- **HR** – net overspend £702k. This is made up of net overspend £716k related to the Modernisation programme previously planned to be funded from capital flexibilities. There was a net overspend of £67k in relation to increasing Employee Relations capacity and moving schools out of the LA’s payroll, offset by £81k overachievement of rebate income from Pertemps.
- **Legal & Governance** – net underspend £84k. This mainly relates to Registration Services; Land Charges and Registration of Births, Deaths and Marriages where the income exceeded the target.
- **Internal Audit and CAFT** – net underspend £105k. This is due to delayed recruitment.

PLACE

2.4 The revenue outturn position for the Place directorate is an overspend of £1.354m, after taking into consideration £1.098m of carry forward requests.

Table 3: Place Revenue Outturn 2021-22

Division	Budget	Outturn	To/ (From) Reserves	Cross divisional adjmt	Carry Forwards	Revised Outturn	Variance to budget
	£000	£000	£000	£000	£000	£000	£000
Environmental Services	19,691	18,984	577	0	142	19,703	12
Directorate Management	5,346	5,569	-48	0	0	5,521	175
Housing General Fund	4,271	3,160	1,181	-70	0	4,271	0
Enterprise and Planning	1,164	-1,207	2,335	0	424	1,552	388
Cultural Services	2,437	1,715	25	0	532	2,272	-165
Regeneration	0	943	0	0	0	943	943
Total Budget	32,909	29,164	4,070	-70	1,098	34,262	1,354

2.5 **Environmental Services – net overspend £12k**

2.6 **Estates & Facilities Management – net overspend £1.480m**

- **Building Repairs & Maintenance** – net overspend £538k. The building maintenance and repair budget across the corporate portfolio was £1.28m, around £450k of which was spent on Planned Preventative Maintenance (PPM) to meet statutory compliance requirements. The remaining budget of £830k was used to fund reactive repair works. Due to a large number of properties in the corporate portfolio, the costs of building repairs exceeded the budget

available and this resulted in an overspend of £400k. In addition, there was also an unfunded cost relating to professional fees of £138k for FM consultancy services and stock condition survey.

- **Depot** – net overspend £325k. This is due to security costs £138k, utility bills £25k, underachievement of rental income £100k and £60k business rates liability.
- **Civic Centre** – net overspend £262k. This was as a result of £143k overspend on utilities and other running costs and £119k underachievement of rental income.
- **Staffing Costs** – net overspend £325k. This was driven by interim staffing arrangements in Facilities Management, Corporate Estates and the Capital Programme Team.
- **Catering** – net overspend £30k. This is due to under recovery of income in Harrow Meals on Wheels service as a result of fewer meals being supplied to internal clients such as NRCs.

2.7 Traffic & Highways Asset Management – net overspend £297k

- **Street Lighting** – net overspend £195k. This is due to electricity costs
- **Staffing Costs** – net overspend £102k. This is as a result of a reduction in salary capitalisation due to reduced LIP funding from TfL.

2.8 Divisional Director – net underspend £92k

- **Staffing Costs** – this is due to interim staffing arrangements being in place and one of the director posts remained vacant throughout the year.

2.9 Licensing & Enforcement – net underspend £117k

- **Staffing Costs** – several enforcement posts across the service remained vacant over the course of the year.

2.10 Strategy, Development & Performance – net overspend £372k

- **Public Mortuary** – net overspend £541k. This is due to additional running costs of £41k of the shared facility. The outturn also included a sum set aside for the proposed expansion of the mortuary facility at Northwick Park Hospital, for which Harrow's share is estimated at £500k.
- **Staffing Costs** – net underspend £105k. This is due to vacant posts across the service.

- **Ward Priority Fund** – net underspend £63k.

2.11 Transport and Environmental Operations – net underspend £873k

- **Waste Disposal** – net underspend £1.073m. This was mainly driven by improved market conditions for dry recyclables, which reduce the net dry recycling waste disposal costs. The residual waste tonnage also showed signs of being stabilized during 2021-22.
- **Income** – net underspend £137k. This is due to overachievement of income from a range of income generating activities within the service.
- **Staffing Costs** – net underspend £127k. This was as a result of a reduction in the reliance of agency staff, in particular for drivers.
- **Cemetery** – net overspend £164k. The service level agreement in place with the London Borough of Brent for the management of Carpenders Park Cemetery overspent. This was due to an increase in the annual management fee and other payments.
- **Vehicle Sinking Fund** - net overspend £330k. This is a contribution to the Vehicle Sinking fund which will be used to smooth the additional cost pressure of vehicle maintenance costs over the remaining life of the contract.
- **Maintenance** – net underspend £30k. This is due to a reduction in spend on equipment and purchases.

2.12 Parking and Network Management – net underspend £1.056m

- **Network Management Income** – net underspend £639k. This is due to an overachievement of income mainly driven by the recoupment of historical payments
- **Parking Services** – net underspend £116k. This is due to receiving more income than budgeted for from residents parking permits
- **Staffing Costs** – net underspend £250k. This is due to vacant posts across the service area.
- **Other variances** – net underspend £51k. These items included maintenance spend and running costs.

2.13 Directorate Management – net underspend £176k

- The Covid-19 pandemic continued to have an impact on the directorate's ability to generate income in 2021-22 despite the lifting of all lockdown restrictions. As part of the MTFs process, budget

growth of £5m was allocated to the directorate to recognise this impact and help mitigate any such losses. The £5m growth was held in Directorate Management. The final Covid-19 related loss of income in 2021-22 totalled £5.240m, £240k greater than the allocated budget growth.

- This cost pressure was partially offset by an underspend of £64k on running costs and miscellaneous spent within Directorate Management

2.14 Enterprise and Planning – net overspend £389k

- **Legal and counsel costs** – net overspend £117k. This was largely due to a public inquiry on the planning application decision of Canons Park Station.
- **Staffing Costs** – net overspend £78k. There was an overspend in Development Control due to the use of interim staffing
- **Planning and Public Protection IT Project** – net overspend £216k. This was due to unfunded project resource to support the project.
- These cost pressures were partially offset by small underspends across the Economic Development & Research and Adult Learning service areas.

2.15 Cultural Services – net underspend £165k

- **Harrow Music Service** – net underspend £67k. This is due to staffing costs as fewer lessons were being carried out following the impact of Covid-19 resulted in a fall in the number of required staffing hours.
- **Libraries** – net underspend £112k. There is an underspend on staffing costs driven by several vacant posts during library closure due to Covid-19. Some of these remained throughout the course of the year. Because of the nature of the work (much of the staff are part-time and/or only work weekends or evenings) and the staggered reopening of libraries following the lifting of restrictions, recruitment proved difficult.

2.16 Housing General Fund

2.17 Housing Services produced a balanced position after applying £1.268m from the Homelessness Prevention Grant (HPG) to meet the business-as-usual costs associated with the Homelessness Reduction Act. There was a further cross divisional adjustment of £70k associated with financing costs for the Property Acquisition Programme

2.18 Regeneration

2.19 The final outturn for the Regeneration Programme revenue budget is £943k.

PEOPLE SERVICES

2.20 The final outturn for the People Services directorate is a net underspend of £294k.

Table 4: People Services Revenue Outturn 2021-22

Division	Service Area	Revised Budget	Outturn	To/ (From) Reserves	One off funding	Revised Outturn	Variance to budget
		£'000	£'000	£'000	£'000	£'000	£'000
Adults	Strategic Management	1,057	1,093			1,093	36
	Purchasing	46,957	45,033	1,300	0	46,333	-624
	Mental Health	5,943	5,782	0		5,782	-161
	Other Adults	12,127	12,452	0	0	12,452	325
	In House Services	5,340	4,641	0	72	4,712	-628
Adults Total		71,424	69,000	1,300	72	70,372	-1,052
Public Health Total		-131	-433	302	0	-131	
Children's Services	Children & Young People	25,963	30,176	-1,588	-757	27,831	1,866
	Education Services	8,427	7,015	374	0	7,389	-1,032
	People Services Mgt	685	663	-50	0	613	-72
Children's Services Total		35,075	37,854	-1,264	-757	35,833	758
People Services Total		106,368	106,421	338	-685	106,074	-294

2.21 The variations are explained in more detail at the following paragraphs.

Adult Services

2.22 The final outturn for Adult Services is an underspend of £1.052m against the 2021-22 budget. The cause of the underspend is highlighted as below

2.23 Strategic Management

2.24 An overspend of **£37k** is caused by the following:

- Principal Social Worker doing more hours than budgeted totalling £17k with the remainder relating to ICT and consultant costs.

2.25 Purchasing

2.26 A total net underspend of £624k after a contribution to reserves of £1.3m. The cause of the underspend on purchasing is as follows:

- The budget assumed 325 deaths in 2021-22. However, there have been a higher number of deaths this financial year and the final total is 524 – an additional 199 deaths
- The budget assumed 15 new care packages per week (11 in community and 4 in residential and nursing). For the financial year there has actually been an average of 17 new packages per week, however this was offset by a reduction of 5 packages per week for existing packages of care (excluding deaths). There was also a further 989 packages of care which started and finished in the year, a large proportion of these cases would have related to hospital discharges. The strength-based approach (3 Conversations) and a widening of the scope of Reablement will have been contributory factors in this respect.
- Additional income arising from the charging policy
- Better Care Fund (BCF) uplift resulted in a favourable variance of £115k.
- An underspend of £600k in the 0-18 CYAD Service. For residential, Domiciliary and Respite services, growth has not been required due to larger care packages dropping out of the service, which has effectively covered the cost of any new packages starting in 2021-22. New agreements with the CCG have also led to an increased income of £140k compared to budget.

2.27 The underspend was partially offset by:

- An increase in bad debt provision of £1.570m, resulting in a provision of £3.311m being held against outstanding debt of £10.782m.

2.28 Mental Health

2.29 Underspend of **£161k** – The number and costs of placements has increased in this financial year compared to last. However, the spend is within budget due to a focus on step downs for suitable service users, a backlog of outstanding financial assessments having now been completed and a recharge of relevant costs to non-Harrow CCGs and other local authorities.

2.30 Other Adults

2.31 Overspend of **£325k** due to:

- **Equipment** – net overspend £128k. This is due to a newly agreed split of equipment costs between the CCG and the LA which has added pressure to the budget

- **Staffing** – net overspend £277k. This is primarily due to agency staff covering permanent posts and their rates being substantially higher than permanent staffing budgets
- **Shared Lives and The Bridge** – net overspend £20k. This is due to a placement made by CNWL to Share Lives not budgeted for which has caused a £12k overspend. Utility costs for The Bridget is also £8k higher than budgeted due to increased energy costs.
- **Contracts** – net underspend £100k. High spending contracts with Rethink and Lookahead ended on 31 August 2021 and were replaced by new contracts with lower spend.

2.32 In-House services

2.33 There is an underspend of **£628k** due to the phased opening of day care as agency posts in NRCs and transport services have not been required to be filled for a large part of the financial year. The need for vehicles to transport citizens to NRCs has also been reduced this year, meaning vehicles have been loaned out to other services and the costs paid for by these services.

Public Health

2.34 Public Health (PH) is reporting a balanced position after a contribution to the Public Health reserve of £302k. This will increase the PH reserve balance to £2.694m at the beginning of the 2022-23 financial year.

2.35 Underspends on Public Health relate to the following:

- **Sexual health** – net underspend £329k, which reflects the agreed block payments for 2020-21 during Covid-19 and continuing into 2021-22
- **Health checks** – net underspend £90k. Of this, £54k is due to an unused accrual and the remainder due to health checks activity lower than previously forecast due to activity stopping because of the Omicron strain and the need for GP to divert services towards vaccinations.
- **Staffing** – net underspend £68k which reflects a delay in recruitment for vacant posts.
- **Physical Activity** – net underspend £15k. As a result of Covid-19 restrictions, planned activities were cancelled.
- **Drug & Alcohol and Tobacco Control** – net underspend £61k in relation to agenda for change budget allocated.

2.36 These were partially offset by the following overspends:

- **Wider Health Improvement** – net overspend £261k. This is made up of an underspend of £39k on in-year projects and a pressure related to ongoing projects originally anticipated to be funded by the PH reserve of £300k

Children's Services

2.37 The final outturn is a net overspend of £758k. The headline pressure within the directorate is £4.274m with mitigating management actions of £3.516m. It should be noted that these management actions are one off and will not be available in future years.

2.38 The main variances are summarised in the following paragraphs.

2.39 Children and Young People Services

- **Children's Placements & Accommodation** - net overspend £2.106m. In 2020-21 spend in these areas significantly increased compared with average spend in the previous two years. Largely this was attributed to Covid-19 however it is difficult to accurately work out exactly which costs are Covid-19 related and which are due to other demographic changes.
- Throughout 2020-21 the number of Children Looked After peaked at 207 in August 2020 compared to previous averages of around 170. The number of CLA was down to 178 for August 2021, however, the number of young people currently accommodated have significant and complex needs which in some cases require expensive residential provision. The number of CLA has risen again and was 190 for March 2022 a 3% increase from March 2021.
- There are also issues regarding placement sufficiency and despite a successful inhouse fostering recruitment campaign young people are still being placed out of borough for reasons of contextual safeguarding and not just placement sufficiency.
- **Frontline Teams Staffing & Other Costs** – net overspend £1.513m. In order to manage caseloads agency staff are required to cover vacant Social Work posts, including sickness and maternity cover. There are around 20% of frontline posts which are covered by agency. There has also been the need for super numerate social work posts in Children in Need and the Front Door as there is an increase in the number of CIN Plans and the number of children on Child Protection Plans.
- **Client Spend & Section 17** – net overspend £347k. Expenditure to support families with children subject to a Child Protection or Children in Need plan, to help children remain at home where it is safe to do so. This budget also provides support for families with No Recourse to Public

Funds until they can access benefits and expenditure to support young people Leaving Care.

- **Legal costs and other client related spend** – net overspend £256k. Mainly pressures in relation to translation services £151k such as whole document translation of parenting assessments for individuals whose first language is not English as well as £105k overspend on legal disbursement costs including barristers and independent experts' fees in relation to care proceedings.
- **Early Support Service** – net underspend £49k. There is a £99k underspend on Early Support sites due to vacant posts at Hillview and Cedars hubs as well as surplus income from PVI nurseries based at some sites. This is offset by a £50k overspend on the Youth Offending Team mainly due to maternity leave cover.
- **Grant income** - net underspend £183k. Additional grant income from the previous financial year which was not accrued for as final notification had not been received by year end.
- **Other CYPS** – net overspend £41k. This mainly relates to an overspend on HSCB partly offset by an underspend on the Regional Adoption Agency budget for payment of adoption inter-agency fees.
- **One off Management Actions/Income** – net underspend £574k
- **Drawdown from Reserves for CYPS** - £1.588m

2.40 Education Services

- **Capital Programme** – net overspend £5k. Expenditure on capital scheme feasibility studies for projects that are not yet live.
- **SEN Transport** – net underspend £590k. There is an underspend on SEN Transport as budget growth was allocated mainly for spend on taxi journeys however not all of this has come to fruition. In addition, due to Covid-19 and other sickness, where a child does not attend school and the taxi company is notified within an agreed timescale, there is no charge for that day's route.
- **Other Education Services** – net underspend £454k. This is mainly due to underspends on Education staffing budgets due to vacancies as a result of recruitment difficulties in some service areas. This budget assumes £90k drawdown from reserve to support School Improvement.

2.41 **Commissioning & People's Management** – net underspend £72. £27k overspend on Commissioning Team staffing offset by £99k underspend on

People’s Services Management due to centrally held management actions. This includes £50k drawdown from reserve to support Young Carers.

Dedicated Schools Grant (DSG)

2.42 The Dedicated Schools Grant (DSG) is a ring-fenced grant of which the majority is used to fund individual school budgets in maintained schools, academies and free schools in Harrow. It also funds Early Years nursery free entitlement places for 2, 3 and 4 year olds in maintained council nursery classes and private, voluntary and independent (PVI) nurseries as well as provision for pupils with High Needs including those with Education Health & Care Plans (EHCPs) in special schools and special provision and mainstream schools in Harrow and out of borough. The DSG is split into blocks: schools block, early years block and high needs block

Table 5: DSG Outturn 2021-22

Block	Budget £'000	Outturn £'000	Variance £'000
Central	1,388	1,385	-2
Early Years	18,044	18,320	277
High Needs	37,020	37,297	277
Schools Growth	1,479	662	-817
Schools ISB	80,103	80,103	0
Totals	132,751	132,487	-264
Less High Needs Block Deficit			-277
Net DSG Underspend			-541

2.43 The final outturn is a net underspend of £264k, however, the High Needs Block overspend of £277k is ringfenced to the High Needs Block Deficit and therefore the net underspend is £541k. This will be transferred to the schools brought forward contingency which is managed by Schools Forum.

2.44 **Central Block** – net underspend £2k.

2.45 **Early Years Block** – net overspend £277k. This is because funding for the year was based on the January 2021 Early Years Census which had a reduction in participation of children attending nurseries due to Covid-19.

2.46 **Schools Growth** – net underspend £817k. This is due to the fact that there has not been a requirement for bulge or additional classes. This has been reported to Schools Forum throughout the year and is committed to the schools funding formula in 2022-23 and other projects.

2.47 **High Needs Block** – net overspend £277k. The final outturn on the High Needs Block is an overspend of £277k which added to cumulative deficit brought forward from 2019-20 and 2020-21 takes the total deficit at the end of March 2022 to £4.007m. Despite underspends on the other blocks this will not be netted off the

HNB pressure as Schools Forum does not support this approach. Any deficits an authority may have on its DSG account is expected to be carried forward and does not require to be covered by the authority's general reserves.

- 2.48 Any deficits an authority may have on its DSG account is expected to be carried forward and does not require to be covered by the authority's general reserves. This is a temporary arrangement until 2022-23 beyond which LAs must demonstrate they have sufficient reserves to cover the deficits.
- 2.49 With effect from 2019-20 the DfE has tightened up the rules under which local authorities have to explain their plans for bringing the DSG account back into balance.
- 2.50 The DfE will require a report from any LA that has a cumulative DSG deficit of more than 1% at the end of the financial year. The 1% calculation will be based on the latest published DSG allocations for 2021-22 compared with the deficit shown in the authority's published draft accounts.
- 2.51 The final deficit at the end of 2021-22 of £4.007m represents 1.67% of the overall DSG allocation (including academy funding). The recovery plan has been drafted however and discussed with Schools Forum. However, the following points should be noted.
- 2.52 Despite the significant proposals and measures planned over the next ten years, this will not mitigate the deficit. This is due to the following contributory factors:
- historical underfunding
 - current budgets being based on historical budgets rather than historical spend
 - extension of age range to include 0-5 and post 19
 - current and projected formulaic funding which does not keep pace with demand
 - significant historical and projected growth in number of EHCPs
 - continued growth in complexity of pupils' needs
 - limitations about creating cost effective provision in borough due to capacity and site limitations

CORPORATE AND TECHNICAL

- 2.53 The final outturn for the corporate and technical budget is reporting an overall underspend on business as usual of £1.119m as detailed below.

Corporate Items

- 2.54 The final outturn is a net underspend of £1.732m. The majority of this relates to a central contingency of £1.248m which was not required and therefore there is an

underspend against this budget. The remainder mainly relates to pension augmentation costs.

Technical Budgets

2.55 The final outturn on the technical and corporate adjustments is an overspend of £2.661m as follows:

- (£6.308m) underspend in capital financing costs and interest charges as a result of slippage in the Capital Programme. £2m of capital financing savings are built into the 2022-23 budget.
- (£2.532m) additional grant and other income
- £7.350m overspend as a result of not drawing down the Budget Planning and Business Risk Reserves originally budgeted and planned for draw down in 2020-21 and not utilising capital flexibilities.
- £4.365m additional contribution to reserves
- (£214k) various other opportunities

Investment Properties

2.56 The final outturn for investment properties is a net overspend of £75k. This is due to vacant space which results in loss of rental income.

2.57 From 2015 to 2019 the Council acquired seven investment properties at a cost of £48.2m. The portfolio consists of warehouses and other commercial and residential properties across the UK, as well as an office block in Harrow.

2.58 At acquisition, the net yield was estimated at 2.31% (gross yield 7.3%) for all but the office block Kings House (net yield 0.9% and gross yield 5.9%) which was also purchased as a land acquisition for potential regeneration. The return from investment properties was included in the MTFS.

2.59 The projected return from all but Kings House is currently on target despite COVID-19. There is vacant space in Kings House – part of the 3rd floor has been vacant since acquisition and the remainder of the 3rd floor became vacant in December 2020. This results in loss of rental receipts and the additional cost such as business rates and service charges which falls back to the council.

2.60 The annual estimated impact of vacant space at Kings House in 2021/22 is a loss of rental income and charges relating to vacant space in total of £369k. This is partly offset by earlier investment purchases achieving returns over and above their target hence the overall investment property pressure of £75k.

Transformation Savings

2.61 The transformation savings target of £1m has an adverse variance as the target was not met

Covid-19 Grants & Income

2.62 In 2021-22 the council received the following non-specific Covid-19 grants and income compensation as shown at Table 6 below.

Table 6: Covid-19 Grants & Income

Description	£000
Covid-19 Expenditure Pressures Grant 2021-22	6,051
Controlling Outbreak Management Fund	
- 2020-21 brought forward	1,503
- 2021-22 allocation	1,565
- 2021-22 allocation underspend carry forward to 2022-23	-579
Compensation for loss of sales, fees & charges	1,133
Total Covid-19 grants and income	9,673

2.63 The Covid-19 Expenditure Pressures Grant 2021-22 allocation of £6.051m was included in the overall 2021-22 budget on a one-off basis. Compensation for loss of sales, fees & charges was also included in the budget on a one-off basis but at an estimated lower value of £500k.

2.64 Both COMF allocations were allocated to additional expenditure within the directorates including enhanced cleaning, fire risk assessments, communications, Covid-19 marshals and other COMF relevant activities. There was an underspend of £579k which will be carried forward to 2022-23 to fund residual activities

2.65 There are also a number of other Covid-19 related specific grants which are held within the directorates and not shown in the table above. These can be found in more detail at Appendix 1.

RESERVES

2.66 Below at Table 7 is a schedule of all the reserves held by the Council at 31 March 2022. The table also shows the movements in 2021-22 followed by narrative of the key movements set out below.

Table 7: Summary of Reserves 2021-22

Description	Brought Forward 01/04/21	Directorate Reserve Movements	Corporate Reserves Movements	Other Reserves movement	Balance Carry Forward 31/03/2022
CIL Harrow	-6,730,442	-2,295,420		1,917,474	-7,108,388
Revenue Grant Reserve	-8,823,265	-274,680	-576,182	3,032,707	-6,641,421
Compensatory Added Year Reserve	-242,782				-242,782
Business Pool Reserve	-767,170		767,170		0
PFI Schools Sinking Fund	-2,371,579	299,903			-2,071,676
Public Health Reserve	-2,372,440	-301,702			-2,674,142
PFI NRC Sinking Fund	-1,751,952	-71,884			-1,823,836
Legal Services Contingency	-949,339			128,100	-821,239
Legal Expansion Reserve	-377,639			377,639	0
HRA Transformation Reserve	-671,551				-671,551
Carryforward Reserve	-2,041,393	-1,330,981	2,041,393		-1,330,981
Collection Fund Reserve	-8,924,753		4,290,008		-4,634,745
Equalities Diversity & Inclusion	-250,000	92,727			-157,273
London Living Wage Reserve	-250,000			250,000	0
Capital Feasibilities Reserve	-500,000				-500,000
Accommodation Strategy Reserve	-725,000			73,000	-652,000
Adults Social Care Reserve	-1,969,475	-1,300,000	-500,000		-3,769,475
Children's Social Care Reserve	0	-206,413		-2,901,707	-3,108,120
IT Reserve	-134,000				-134,000
Borough Election	-398,747	-175,930			-574,677
Harvist Reserve Harrow Share	-15,889				-15,889
Proceeds Of Crime Reserve	-63,000				-63,000
Proceeds Of Crime Planning	-326,550	-103,622			-430,172
Headstone Manor Reserve	-287,750				-287,750
CIL Mayor	-152,902	2,382			-150,520
Libraries Reserve	-150,000				-150,000
Vehicle Fund	-920,478	-330,000			-1,250,478
Investment Property Reserve	-841,875		-135,510		-977,385
DSG Overspend	3,730,218	276,649			4,006,867
PAP Sinking Fund	-190,000	-203,300			-393,300
HRA Hardship Fund	-25,000				-25,000
HRA Regeneration Reserve	-722,200				-722,200
HRA Repair Reserve	-277,428				-277,428
Business Risk Reserve	-5,350,000	464,802	-301,269	3,218,269	-1,968,198
Budget Planning Reserve MTFS gap	-16,688,761		-2,587,014	-2,435,204	-21,710,980
Capacity Build/ Transformation	-2,000,000	148,011		-1,320,663	-3,172,652
MTFS Implementation Reserve	-349,683			349,683	0
NEW 1 Hour Free Parking Reserve				-624,000	-624,000
NEW Insurance Reserve			-959,318		-959,318
NEW Mortuary Reserve		-500,000			-500,000
NEW 3G Pitch		-25,000			-25,000
Total non General Fund Reserves	-64,882,826	-5,834,458	2,039,277	2,065,298	-66,612,708
General Fund Reserves	-10,000,000				-10,000,000

2.67 Earmarked Reserves

- **CIL Harrow** – the Community Infrastructure Levy is a planning charge introduced by the Planning Act 2008 as a tool for LAs in England and

Wales to help deliver infrastructure to support the development of their area. An addition to the reserve has been made in 2021-22 totaling £2.295m. There are also drawdowns totaling £1.917m which have been used to support the capital programme.

- **Revenue Grant Reserve** – this reserve holds revenue grants to be used for specific purposes or which may be subject to claw back if conditions of the grant are not met. The movements in 2021-22 represent draw downs to revenue and contribution of new grants to carry forward to future years.
- **Business Pool Reserve** – the balance brought forward relates to 2020-21 and was subject to clawback by the City of London once the pool accounts were determined.
- **PFI Reserves** – these reserves are to support current and future funding gaps in relation to PFI contracts in Schools and Adult Services.
- **Public Health Reserve** – this reserve relates to unspent government grant paid in relation to the delivery of public health responsibilities. There has been an additional contribution of £302k in 2021-22.
- **Legal Reserve** – this reserve is earmarked to Legal services projects and contingency as set out in the IAA
- **Carry Forward Reserve** – the balance brought forward relates to revenue budgets carried forward from 2020-21 for use in 2021-22. The balance carried forward relates to revenue budgets carried forward from 2021-22 for use in 2022-23.
- **Collection Fund Reserve** – This reserve will be used to support the estimated Collection Fund deficit and will be drawn down in 2022-23
- **EDI Reserve** – this reserve has been established to support the council's commitment to Equalities, Diversity and Inclusion agenda.
- **Accommodation Strategy** – this reserve has been established to support the council's accommodation strategy
- **Adults Social Care** – this funding is earmarked to future social care pressures in Adults Services
- **Children's Social Care** – this funding is earmarked to future social care pressures in Children's Services
- **DSG Overspend** – this negative reserve holds the cumulative balance of the overspend on the High Needs Block of the Dedicated Schools Grant.

- **Business Risk Reserve** – the balance carried forward to 2022-23 is committed to investment in frontline priorities
- **Budget Planning Reserve** – this reserve was established to support future MTFS. £14.711m is earmarked to the 2022-23 budget and £6m is assumed in current plans to support the 2023-24 budget.
- **Capacity Building Reserve** – this reserve was established to support organisational transformation costs.

2.68 New Earmarked Reserves

2.69 In addition to the existing reserves set out above, there have been four new reserves established in 2021-22:

- **1 Hour Free Parking** - this reserve has been established to fund the 2022-23 implications of the 1 hr free parking initiative (as reported to Cabinet in June 2022).
- **Insurance Reserve** – an audit review of the insurance provision identified that the provision is currently too high. The provision has been reduced and the funds set aside in this reserve earmarked to fund any increases in insurance provision required in the future.
- **Mortuary Reserve** – this reserve has been established to contribute to expansion of the public mortuary at Northwick Park Hospital which is shared between Harrow, Brent and Barnet under an SLA.
- **3G Pitch Reserve** – this reserve has been established to hold a sinking fund using income generated from the 3G pitch so that investment funding is in place when the pitch is due for replacement in future. This is part of the grant conditions of Footballs Foundation for the award of funding to install a new 3G pitch at Bannister Sports Club.

2.70 General Fund Reserves

- General Fund Reserves remain at £10m.

GRANTS

2.71 Attached at Appendix 1 is a schedule of all the grants the Council received in 2021-22.

CARRY FORWARDS

2.72 Attached at Appendix 2 is a schedule of the revenue budget carry forwards included in the final outturn for 2021-22 that will be carried forward to 2022-23.

The revenue carry forwards have been agreed by the Director of Finance in accordance with Financial Regulations.

MTFS IMPLEMENTATION TRACKER

2.73 The 2021-22 budget includes approved MTFS savings of £3.443m.

2.74 Appendix 3 shows a list of the individual red, amber, green and purple rated savings in the MTFS. The definition used to classify savings ratings in this report are detailed in table 8 below:

Table 8: Savings Definition

Green – Low or no risk to delivery of savings	Clear delivery plans in place Project running to timescale
Amber – Medium/some risk to delivery	Potential for slippage but project will be delivered as originally intended but not within timescale, so saving will not be fully realised
Red – High risk to delivering forecast savings	Project may have started but will deliver no savings in the current financial year Project cannot be delivered but underspends found elsewhere to mitigate savings.
Purple	Future years' savings

2.75 Table 9 below shows the summarised position for each directorate for 2021-22

Table 9: Savings Tracker 2021-22 – Directorate Summary

	Resources	People Services	Place	Corporate	Total	%
	£'000	£'000	£'000	£'000	£'000	
Red	-175		-34	-1,000	-1,209	35%
Amber			-36	-144	-180	5%
Green	-1,759		-295		-2,054	60%
Totals	-1,934	0	-365	-1,144	-3,443	100%

2.76 At the final outturn 35% of these savings are rated red as they have not been delivered.

2.77 The red savings of £1.209m relate to the following savings:

- Resources £175k – Customer Services: Reduction in Customer Channels. Cabinet agreed to close the telephone lines for Council Tax and Benefits to reduce the Access Harrow budget by £350k through staff reduction. The closure was due to take place from 1 October 2020 with the budget reduction being equally split between 2020/21 and 2021/22. However, Covid-19 prevented the start of the programme of work required to channel

shift Revenues & Benefits to digital channels. It is anticipated that the work can be carried out over the next nine months.

- Place £20k – Building Control. Income is adversely impacted by Covid-19, and it is unlikely that any additional income will be generated in 2021/22.
- Place £14k – Housing General Fund: Travellers Site. The Housing service will be unable to carry out this review in 2021/22 to achieve full cost recovery. The saving will be met from within the Housing General Fund in 2021/22.
- Corporate £1m – Transformation Savings.

HOUSING REVENUE ACCOUNT

2.78 The outturn for 2021-22 is a general reserves position of £5.677m which reflects an in-year loss of £596k. This is an increase of £196k of the £400k loss previously projected in the HRA in 2021-22.

Table 10: Update on Housing Revenue Account

	Budget 2021-22	Outturn 2021-22	Variance
	£'000	£'000	£'000
Reserves b/fwd	-6,273	-6,273	0
In year position deficit	0	596	596
Balance c/fwd	-6,273	-5,677	596

2.79 Table 11 summarised the variances by the main headings

Table 11: summary of variances on Housing Revenue Accounts

	Budget 2021-22	Outturn 2021-22	Variance
	£'000	£'000	£'000
Income	-32,234	-31,885	350
Operating Expenditure	10,752	10,336	-416
Other Expenditure	14,636	14,285	-350
Repairs	6,847	7,860	1,013
Total	0	596	596

2.80 The explanation of the main variances is set out as follows:

- **Income** – net overspend £350k. this is due to reprofiling of the New Build programme resulting in fewer properties being delivered in 2021-22 that originally budgeted for
- **Operating Expenditure** – net underspend £416k. This is due to high levels of staff vacancies and increased charges to capital projects

- **Other Expenditure** – net underspend £350k. This is due to a reduction in capital charges of £750k due to reprofiling of the New Build programme partially offset by an increased depreciation charge of £400k as a result of a rise in house price inflation of 6%
- **Repairs Expenditure** – net overspend £1.013m. This is due to a number of factors that reflect exceptional items and essential health & safety works that were required in 2021-22 to ensure that Harrow is legally compliant with Housing Regulations. These are set out in more detail at Table 12.

Table 12: Analysis of HRA Repairs Expenditure Variance

Reason for Variance	£'000
Replacements for old non-compliant bin chutes	130
Addition staff to provide support hand over of new gas contractor, project support for disrepair/ essential structural works and lease hold advice and validation	163
Increase in demand for expenditure on Aids and Adaptation properties	190
Specialist Contractor report to survey properties for dampness/condensation/mould	190
Repairs to aging communal boilers	90
Increase in legal fees for disrepair case	50
Storm damage for fencing – not covered by insurance	122
Other variances (net)	78
Total	1,013

3.0 **CAPITAL PROGRAMME**

3.1 The revised capital budget for 2021-22 is £216.520m as set out at Table 13:

Table 13: Capital Programme 2021-22

Directorate	TOTAL BUDGET	Actuals	Variance	HRA budget realignment agreed Feb 22 cabinet	Slippage	Underspend after slippage
	£'000	£'000	£'000		£'000	£'000
RESOURCES TOTAL	15,183	5,598	(9,584)		(9,554)	(30)
COMMUNITY						
Commissioning and Environment	39,257	23,712	(15,545)		(13,849)	(1,697)
Cultural Services	2,958	579	(2,379)		(2,351)	(28)
Housing General Fund	12,348	6,736	(5,612)		(2,637)	(2,975)
Regeneration, Enterprise and Planning	15,243	5,233	(10,009)		(10,009)	(0)
COMMUNITY TOTAL	69,806	36,261	(33,546)		(28,846)	(4,700)
PEOPLE						
Adults	411	15	(396)		(395)	(1)
Public Health	9	2	(7)		(7)	(0)
Children	28,466	2,241	(26,225)		(25,824)	(401)
PEOPLE TOTAL	28,886	2,258	(26,628)		(26,226)	(402)
TOTAL GENERAL FUND	113,875	44,117	(69,758)		(64,626)	(5,132)
TOTAL HRA	102,645	30,529	(72,116)	(51,980)	(18,322)	(1,815)
TOTAL GENERAL FUND & HRA	216,520	74,646	(141,874)	(51,980)	(82,948)	(6,947)

3.2 The final spend is £74.646m, 35% of the total Capital Programme budget. The final spend on the General Fund is £44.117m, (39% of budget). The variance of £69.758m is made up of proposed slippage of £64.626m and a net underspend of £5.132m. The final spend on the Housing Revenue Account is £30.529m (30% of the budget). The variance on the HRA of £72.116m is made up of budget realignment of £51.980m agreed by Cabinet in February 2022, proposed slippage of £18.322m and an underspend of £1.815m.

3.3 Table 13 shows a General Fund variance of £69.758m. The vast majority (£64.626m) will be slipped to 2022/23, and the remaining variance of £5.132m is an underspend. The breakdown of the underspend is detailed in Appendix 4 and in terms of funding, £4.266m is funded from grants, right to buy receipts and other external funding and the remaining £866k relates to schemes funded from borrowing. The saving in borrowing costs will be factored into the 2022/23 budget monitoring and will be reviewed as part of the 2023/24 budget setting. The breakdown of the underspend is detailed in Table 14.

Table 14: Analysis of General Fund Capital Underspend

Directorate	Capital Scheme	Borrowing £000	Other Funding (Grants, RTB, etc) £000
Resources	This relates to a minor underspend in IT projects (borrowing).	30	
Place	TFL Transport schemes (grant)- The assumed grant funding of £1.391m included in the original capital programme didn't materialise due to financial constraints within TfL.		1,391
	Wealdstone Major Transport Infrastructure (grant) - The assumed funding of £300k profiled in 22/23 was originally for the TfL funded Liveable Neighbourhood project, however no funding was awarded due to financial constraints within TfL.		300
	Banister Sport Pitch (Section 106) - the underspend of £19k relates to Football Foundation grant that couldn't be claimed as actual expenditure of the 3G pitch was less than the grant award in the end.		19
	Disabled Facilities Grants (borrowing) - This is a demand led budget and has seen a lower demand for adaptations in 2021/22 resulting in a variance of £1.435m. £1.087m relates to external grant which is being carried forward into 2022/23 and the remaining £349k borrowing is reported as an underspend.	349	
	Empty Property Grant (borrowing) - This scheme is a Repair to Lease grant assistance scheme for private landlords to part fund improvements to their empty properties and in return the council secures nomination rights to house families in housing need as an alternative to the more expensive Bed & Breakfast (B & B) emergency accommodation. There has been a reduced level of uptake from property owners for this programme in 2021/22.	71	
	Property Acquisition Programme (HRA Right to Buy receipts) - £2.555m is reported as an underspend as a result of legislative changes, effective from 1st April 2021, which prevents the continued use of Right to Buy 1-4-1 receipts being eligible to fund this programme. As a result, the programme was scaled back and units purchased contained within the budget resource available.		2,555
Peoples Services	Day Respite Provision in Children's services (borrowing)- the business Case has not yet been developed and therefore this budget is being removed from the Programme and funding will be bid for in future years if business case is viable.	400	
Various	Other small underspends across Directorates	16	1
Total		866	4,266

RESOURCES

3.4 At the final outturn £5.598m (37% of budget) has been spent. Of the £9.584m variance, £9.554m of funding will be carried forward to 2022-23 to complete ongoing projects. There is a £30k underspend on the ABAVUS & Waste Collector projects which have now been completed. The slippage mainly relates to the following projects:

- Ongoing refresh and enhancement of ICT (£4.675m). The refresh and enhancement work is ongoing and based on the latest implementation timeline, the project is scheduled to be completed in 2022-23
- Council wide unallocated (£3.323m). This budget is to be set aside for any emerging capital requirements not included elsewhere in the capital programme in 2022-23

- Careline Digitalisation (£482k). This budget covers three-year equipment replacement programme, and the remaining balance will be slipped to 2022-23
- Devolved Applications refresh (£153k). This budget will be carried forward to 2022-23 for ongoing schemes relating to the Council Tax Integrated moves process and electoral registration integration work.
- Enterprise Resource Planning System (£922k). The Implementation of Dynamics 365 ERP is ongoing and due to be completed in 2022-23.

PLACE

- 3.5 The final outturn for the Place Directorate is total spend of £36.260m (52% of budget). Of the variance to budget of £33.545m, a total of £28.847m of funding will be slipped to 2022-23 to complete ongoing projects. The underspend of £4.698m results from project underspends (£457k) and projects not going ahead (£4.241m) due to external funding assumed in the programme not materialised.

Environment

- 3.6 The services spent £23.712m against a budget of £39.257m. £13.850m of funding is requested to be carried forward to 2022-23 and relates mainly to the projects listed below. £1.691m of underspend represents TfL projects assumed in the capital programme but not gone ahead because no funding was provided by TfL in 2021/22.
- Bannister café (£257k). Although works were resumed following the delay caused by the pandemic, these were paused due to additional costs claimed by the contractor. This is subject to on-going negotiations to resolve this, and therefore it is anticipated that the project will now be completed in 2022-23. The redeveloped building is expected to generate a rent income which has been assumed in the existing MTFS with a saving of £36k profiled in 2021-22.
 - CA site infrastructure (£78k). The funding is set aside for a new shelter for dry recyclables which will keep the waste dry before being taken by the disposal contractor. The procurement process is underway, and the project will be implemented in 2022-23.
 - CCTV cameras (£50k) and CCTV Infrastructure (£1.243m). Additional cameras for parking enforcement have been ordered to utilise the carry forward budget of £50k. The procurement of the CCTV infrastructure upgrade is now concluded, and the new CCTV Control room will be installed in 2022-23.

- Depot redevelopment (£3.439m). The redevelopment project is almost complete, with outstanding works in external areas and the decommissioning of temporary building scheduled to be completed in early 2022-23. The majority of furniture was delivered and installed in early April and the cost of this will be funded from the carry forward budget as well.
- Flood Defence and Highways Drainage (£97k). Some of the works ordered were not completed in 2021-22, and therefore the budget is carried forward to 2022/23 to fund these existing commitments.
- Harrow Green Grid (£20k). The installation of parks noticeboards and signs was delayed due to volunteer inputs and supplier issues.
- High Priority Planned Maintenance (£836k). The project at Sancroft (£205k) was delayed as it was being revisited to determine the phasing of the work to minimise disruptions to residents. The roof repair work at Hatch End swimming pool will now be completed in 2022-23 due to supply chain issues. The remaining budget in the programme is carried forward to 2022-23 to fund Health & Safety works identified from condition survey.
- Highway Programme (£1.566m) and Street Lighting Programme (£699k). Some of the projects were not fully completed in 2021-22. The budget is carried forward to 2022-23 to fund existing commitments.
- Litter Bin Project (£18k). External funding from WRAP was secured to install litter bins outside schools. The bins have been ordered and will be installed once they are delivered.
- Parking Management Programme (£145k). Some of the schemes were delayed, but works are continuing into 2022-23 and the proposed measures will be implemented subject to the outcome of relevant consultations.
- Parks Infrastructure (£471k) and Parks Playground improvement (£46k). A few projects such as Cedar Gate posts and Bernays Garden wall are on-going following successful external funding applications. The remaining budget in the programme is carried forward to 2022-23 to fund Health & Safety works in Parks.
- Public Sector Decarbonisation Scheme (£1.962m) and Carbon Offset Fund (£136k). External funding was secured to deliver energy efficiency measures across school sites and corporate buildings. These projects are on-going and will be completed in 2022-23.
- Waste and Recycling (£122k). Bin orders were placed but the delivery was delayed due to long lead in time from the manufacturers.

- Wealdstone Future High Street Fund (£1.368m). This is a multiple year project, funded by DLUHC and BCIL funding, for the construction of a footbridge and implementing Intelligent High Street. There was a delay in obtaining planning permission and land acquisition in 2021/22, therefore the funding is carried forward into 2022-23 to continue the project.
- Wealdstone Bus Improvement scheme (£962k). The project was delayed due to material / supply problems and the delayed statutory undertaker diversionary works, therefore will now be completed in 2022-23.
- Food Waste project (£335k). The project is underway. Bins have been purchased and are being installed at identified sites as part of the pilot scheme.

3.7 Unless stated otherwise, the slippage has no implications on the revenue budget.

Culture

3.8 The services spent £579k against a budget of £2.958m. £2.351m of funding is requested to be carried forward to 2022-23 and relates mainly to the following projects. £28k is reported as underspend for projects already completed.

- Harrow Arts Centre (£2.008m). This project is externally funded. Phase 2 project was delayed because the work had to be re-tendered during the year. A new contractor has now been appointed to complete the work in 2022-23.
- Bannister Sports Centre (£195k). The funding is set aside for a new overflow car park, which will be completed in 2022-23 as the procurement exercise is now concluded.
- Libraries and Leisure Capital Infrastructure (£35k). The Libraries ICT migration project is on-going as there is a delay in completing the novation of library BT phone lines.
- Libraries Self-Service Kiosks Refresh (£113k). There was a delay in the completion of the RFID refresh project due to shipping issues and the setup of card payments at the kiosks.

3.9 Unless stated otherwise, the slippage has no implications on the revenue budget.

Enterprise and Planning

3.10 The services spent £1.182m against a budget of £3.534m. £2.352m funding is requested to be carried forward to 2022-23 and relates mainly to the following projects.

- Lyon Road project (£188k): This is a multiple year project, which is near completion. The budget will be used to pay for outstanding works in 2022-23.
- Planning IT replacement (£468k). There was a delay in the implementation of the new system by the supplier.
- Harrow High Street Fund (£1.268m). This project is largely CIL funded. Project delivery is underway for a number of strands including festive lights, Copenhagen Crossings, benches, tree pits, trees and the North Harrow Junction study. Some of the strands will be completed in Q1 of 2022-23 whilst others are delayed due to supplier issues which include feature lights and gateway features. Contracts are being finalised with suppliers for delivery in 2022-23.
- Neighbourhood CIL projects (£428k). The delivery of approved projects in various wards in 2021-22 will continue in 2022-23.

3.11 Unless stated otherwise, the slippage has no implications on the revenue budget.

Regeneration

3.12 The services spent £4.051m against a budget of £11.708m. £7.657m funding is requested to be carried forward to 2022-23 to support the Accommodation Strategy and Harrow Strategic Development Partnership. Some project budgets will be reconfigured as part of the outturn process as detailed below:

- Haslam House (£0.026m). The project has completed. The budget is being used to cover the retention and costs to final account.
- Waxwell lane (£0.277m). This is a multi- year scheme which is estimated to complete by the summer 2022. An extension of time claim has been submitted by the contractor. We expect to conclude final account negotiations in 2022-23.
- Gayton Road (£2.267m). This budget was reclassified as Accommodation Strategy (£1.473m) and Investment in 3 Core Sites (£0.794m) as agreed by Cabinet (29/04/2021) and is being used to take forward the Accommodation strategy.
- Client Side-Regeneration Budget (£1.788m). This budget is being carry forward and reclassified to supplement the Investment in 3 core sites. There is £0.223m contingency for Waxwell Lane contained within this budget which will be added to the £0.277m carry forward request giving a total carry forward request for Waxwell Lane of £0.500m and £1.565m available for Investment in 3 Core sites.

- Investment in 3 Core sites (£0.429m). The budget will be used in 2022-23 to fund the councils share of the investment in the 3 core sites within the HSDP.
- Investment in HNC (£2.070m). The budget will be used in 2022-23 to cover the contractual liabilities associated with the Temple.
- Other (£0.800m). This includes £0.300m for the social club demolition and £0.500m for the development costs of commercial unit at Milton road-these budgets are requested to be carry forward into 2022-23 and reallocated to Investment in 3 Core Sites.
- As a result of the above proposed adjustments, there will be a total carry forward into 2022-23 of £3.588m against Investment in 3 Core Sites.

3.17 Unless stated otherwise, the slippage has no implications on the revenue budget.

Housing General Fund

3.18 The services spent £6.736m against a budget of £12.348m. Of this, £2.975m is reported as underspend. £2.637m of funding is requested to be carried forward to 2022-23 and relates mainly to the following projects.

- Property Acquisition Programme 2021-22 (£4.100m). Of this, £1.550m is proposed to be carried forward into 2022-23 for the completion of the acquisition of the remaining 3 properties within the programme, which will conclude in 2022-23. £2.550m is reported as an underspend as a result of legislative changes, effective from 1st April 2021, which prevents the continued use of Right to Buy 1-4-1 receipts being eligible to fund this programme.
- DFGs (£1.435m). Of this, £1.087m relates to external grant which is being requested to be carried forward into 2022-23 to cover remaining contractual commitments that are being undertaken and will be completed in 2022-23 and the remainder of the grant be added to next year's programme. The remaining £348k borrowing is reported as an underspend as a result of lower level of grant applications referrals being received than anticipated in 2021-22.
- Empty Properties (£71k). This scheme is a Repair to Lease grant assistance scheme for private landlords to part fund improvements to their empty properties. In return the council secures nomination rights to house families in housing need as an alternative to the more expensive Bed & Breakfast (B&B) emergency accommodation. There has been a reduced level of uptake from property owners for this programme in 2021-22 as the combined deal is no longer financially attractive to most landlords. However, the Direct Let Scheme has been upgraded and we

are working with Housing Needs to promote Direct Let combined with grant assistance for 2022-23

- Additional Property Acquisition Programme (£5k) underspend as project completed.

PEOPLE SERVICES

3.20 The final outturn for the People Services capital programme is spend of £2.258m of a total budget of £28.886m which is 8% of the approved capital budget.

3.21 Adult Services

3.22 The service spent £15km against a budget of £411k, with a variance of £396k with £395k relating to slippage and £1k underspend.

3.23 The Slippage relates to the following:

- Assistive Technology £270k slippage because of delays in the implementation and review of the Assistive Technology pilot.
- In House residential services £125k slippage as a result of a delay to capital works in NRCs until 2022-23 as well as projects planned to take place in the new financial year.

3.24 Public Health

3.25 The service received funding from the Healthy Pupils Capital Fund ring fenced grant of £174k in 2018-19, of which £168k has been spent to date, with £6k slipping into 2022-23.

3.26 Children's Services

3.27 Children's Services capital budget in 2021-22 is £28.466m. In total £25.824m has been slipped to future years. The majority of the slippage relates to external grant funding allocated for basic need school places. However, at present the school roll projects do not indicate that there is a need for permanent expansion at this time.

3.28 There are no revenue implications as a result of this slippage.

HOUSING REVENUE ACCOUNT

3.29 The HRA Capital programme spent £30.529m against a budget of £102.645m. £2.975m is reported as underspend and £51.980m relates to realignment of

Housing Revenue Account (HRA) capital budgets as agreed by the HRA 2022-23 & Medium-Term Financial Strategy (MTFS) 2023-24 to 2024-25 by Cabinet in February.

3.30 £18.322m of funding is proposed to be carried forward to 2022-23 and relates mainly to the following projects.

- Planned Investment – £6.375m is proposed to be carried forward into 2022/23.

The significant slippages are in respect of:

- Meadfield & Cornell scheme (£1.494m) Delays in finalising the specification has resulted in reprofile of scheme into 2022-23.
- Health Safety 3 programme (£2.293m) Only one tender was received which required the contract specification to be increased and re-tendered.
- Structural underpinning works (two schemes) (£0.607m) continuing issues with decanting residents and delays in procurement have resulted in these schemes being slipped into 2022-23
- Decarbonisation (£0.134m) this carry forward was approved by cabinet.
- Dickson fold land purchase (£0.342m) agreement still to be reached on price for acquisition of land for housing properties.
- Aids and adaptation (£0.145m) reduction in number of referrals in 2021/22.
- Other schemes (£1.36m) resources issues with contractors, specifications issues, notices to leaseholders, legal challenges and delays in procurement are the main theme for the schemes being carried forward to next year.

3.31 The underspend (£1.301m) is due to two schemes:

- Decarbonisation (£0.866m.) The budget was to match fund grant funding to meets Governments' Green Initiative targets, which was delayed. A bid is to be made in 2022-23 to the Social Housing Decarbonisation fund in conjunction with the GLA and £1.0m has been allocated for this in 2022-23 Planned Investment budget.
- 2 storey fire doors (£0.485m). As a result of delays in procurement, this will now be delivered and funded from the 2022-23 Planned Investment budget of £8.428m

- 3.32 Housing ICT scheme – the budget has been reprofiled due to implementation delays and £296k will be carried forward into 2022-23 resulting in a provisional budget for 2022-23 of £474k, £178k approved February 2021 plus the estimated slippage of £296k.
- 3.33 The Building Council Homes for Londoners programme – this has been reviewed and re-profiled to take into account significant delays in confirming schemes due to the impact of Covid-19. The GLA extended the final programme start on site deadline from 31 March 2022 to 31 March 2023 and new target dates have been agreed with the GLA for each scheme and the programme budget has been re-profiled accordingly, resulting in a slippage of £56.523m into future years. Of this £4.544m is additional slippage above the £26.865m already carried forward into 2022-23 – 2024-25 and £25.115m HRA realignment approved by Cabinet in February 2022.
- 3.34 Mayors' Rough Sleeping Accommodation programme – 8x 1-bedroom stable, independent homes with intensive personalised support to homeless rough sleepers with multiple and complex needs were provided and the remaining 1 property (£0.381m cfwd) is being provided in 2022-23. Borrowing was used to match fund the external grant, of which £0.514m has been identified as surplus to requirement.

ADDITIONS AND AMENDMENTS TO THE CAPITAL PROGRAMME 2022-23

- 3.33 The following additions required to the Capital Programme are all funded by grant and therefore no additional capital financing costs will be incurred.

Additions to the Capital Programme

3.34 School Condition Allocation - £1,726,655

- 3.35 The SCA is provided by the DfE to help LAs maintain and improve the condition of maintained school buildings and grounds.

- 3.36 The grant allocation for 2021-22 was announced in March 2022 after the capital programme was approved in February. The total amount is £2,726,655 however it is proposed to add £1,726,655 to the 2021-22 capital programme to fund rolling programmes and large-scale reactive works in maintained schools. The remaining £1m is unlikely to be spent in 2021-22 so will be added to the capital programme in 2022-23

3.37 Changing Places Toilet - £61,000

- 3.38 Following the successful funding application to DLUHC for the Changing Places Fund, the Council has been awarded £40k grant towards the cost of the installation of a Changing Places Toilet at Harrow Leisure Centre. A match

funding of £21k is provided from S106 funding. Therefore, it is proposed that an additional budget of £61k is included in the 2022-23 Capital Programme.

3.39 Bannister Sports Centre - £65,003

3.40 As part of the improvement works at Bannister Sports Centre, planning permission has been obtained to install an overflow car park which will provide additional parking for users of various facilities on site. This project is funded from Leisure and Libraries Capital Infrastructure fund and S106 funding. It is proposed that a budget of £65,003, representing the additional S106 funding, is added to 2022-23 Capital programme.

Amendments to the Capital Programme

3.41 Regeneration Projects Budget Realignment

3.42 There were a number of separate capital budgets in the Regeneration Programme in 2021-22, some of which were set up historically prior to the formation of the Harrow Strategic Development Partnership (HSDP). The total carry forward budget is £7.657m.

3.43 Following a review of the Waxwell Lane scheme, the budget requirement needs to be increased by £176k due to programme extension as a result of contractor delays due to shortages of materials and supplier issues, resulting in additional associated professional fees until practical completion is achieved. This is met from within the carry forward budget as shown in Table 15 below.

3.44 In March 2022, a report was presented to Cabinet to provide an update on the progress of the work of the HSDP and set out the next steps of the review. It is therefore proposed that the remaining budget for Other Regeneration (£1.565m), Accommodation strategy (£0.794m), Plot S (£0.5m) and Demolition of Social Club (£0.3m) are consolidated into one single budget and added to the 'Investment in 3 Core Sites' project.

3.45 This will give a total carry forward budget of £3.588m against this scheme as a starting point for 2022-23. The Council's Capital Programme 2022-23 to 2024-25 includes a sum of £8.525m against the 'Investment in 3 Core Sites' project. Therefore the total Regeneration budget including carry forward will be £16.182m of which £12.113m will relate to 'Investment in 3 Core Sites'.

Table 15: Regeneration Capital Programme Realignment

Regeneration Projects	2021-22 Budget c/fwd	Budget virement to Waxwell Lane	Budget consolidation	Revised Budget c/fwd
Haslem House redevelopment	26,175			26,175
Regeneration Capital - Project Management	147,003	-147,003		0
Other Regeneration	1,594,050	-28,734	-1,565,316	0
Waxwell Lane	324,263	175,737		500,000
Accommodation Strategy	794,138		-794,138	0
Accommodation Strategy - Sheldon House, Gayton Rd	1,158,000			1,158,000
Accommodation Strategy - Greenhill Library Pavilion	115,000			115,000
Accommodation Strategy - Forward Drive Storage unit	70,000			70,000
Accommodation Strategy - HAC Event space	35,000			35,000
Accommodation Strategy - Forward Drive Specialised Back Office	35,000			35,000
Accommodation Strategy - Fit out works for sites occupied by 3rd party	60,000			60,000
Plot S	500,000		-500,000	0
Demolition of Social Club	300,000		-300,000	0
Investment in HNC	2,070,000			2,070,000
Investment in 3 core sites	428,768		3,159,454	3,588,222
Totals	7,657,397	0	0	7,657,397

4.0 **COUNCIL TRADING STRUCTURE UPDATE 2021-22**

4.1 The Council's Trading Structure update is attached at Appendix 5 and summarises the financial position and provides a general update on the activities of all the Council's trading entities.

5.0 **REPORTING FOR THE 2021-22 FINANCIAL YEAR**

5.1 This is the final revenue and capital budget monitoring report for 2021-22

6.0 **Implications of the Recommendation**

Implications of recommendation are set out in the body of this report.

7.0 **Performance Issues**

Good financial monitoring is essential to ensuring that there are adequate and appropriately directed resources to support delivery and achievement of Council priorities and targets as set out in the Corporate Plan. In addition, adherence to the Prudential Framework ensures capital expenditure plans remain affordable in the longer term and that capital resources are maximized.

The final revenue outturn for 2021-22 is a balanced budget

The 2021-22 savings built into the MTFS total £3.443m. The overall position is that 35% of savings were ranked red (Project may have started but will deliver no savings in the current financial year).

The final spend on the Capital Programme is £74.646m, 35% of the total budget.

8.0 Environmental Implications

There is no direct environmental impact.

9.0 Risk Management Implications

Risks included on corporate or directorate risk register? **Yes**

Separate risk register in place? **No**

The relevant risks contained in the register are attached/summarised below.
Yes

The following key risks should be taken onto account when agreeing the recommendations in this report:

Risk Description	Mitigations	RAG Status
Additions to the capital programme that may incur additional borrowing costs to the council	<ul style="list-style-type: none"> ▪ Funded by additional grants and contributions thus no additional capital financing costs will be incurred 	Green
Failure to deliver the budget on target	<ul style="list-style-type: none"> ▪ The final outturn is a balanced budget 	Green
Trading companies' failure to deliver required contribution to the MTFS	<ul style="list-style-type: none"> ▪ Income target reprofiled over four years rather than three ▪ Impact of reprofiling on 2021-22 budget is already assumed in the overall outturn ▪ Quarterly stakeholder groups ▪ Review of financial and non-financial performance information 	Green

10.0 Procurement Implications

Any procurement arising from this report will be supported by the Procurement Team and will be undertaken compliant with the Public Contract Regulations 2015 and the Council's Contract Procedure Rules.

11.0 Legal Implications

Section 151 of the Local Government Act 1972 states that without prejudice to section 111, every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs". Section 28 of the Local government Act 2003 imposes a statutory duty on a billing or major precepting authority to monitor, during the financial year, its income and expenditure against budget calculations.

Additions to the Capital Programme are dealt with in B48 of the Financial Regulations, the additions above are within the thresholds allowed for Cabinet.

12.0 Financial Implications

Financial matters are integral to this report.

13.0 Equalities implications / Public Sector Equality Duty

13.1 Decision makers should have due regard to the public sector equality duty in making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome. The equalities impact will be revisited on each of the proposals as they are developed. Consideration of the duties should precede the decision. It is important that Cabinet has regard to the statutory grounds in the light of all available material such as consultation responses. The statutory grounds of the public sector equality duty are found at section 149 of the Equality Act 2010 and are as follows:

13.2 A public authority must, in the exercise of its functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

13.2 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;

- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- Tackle prejudice, and
- Promote understanding.

13.3 Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act. The relevant protected characteristics are:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race,
- Religion or belief
- Sex
- Sexual orientation
- Marriage and Civil partnership

13.4 Equality assessments were undertaken for the budget proposals agreed by Council listed as part of the MTFs process and an overall equality assessment was undertaken on the MTFs. There is only recommendation in this report for decision "That Cabinet approve the proposed amendments to the Capital Programme as set out in paragraphs 3.33 to 3.41" it is not considered that this will have a detrimental equalities impact.

It is not considered that this report will have any further equality implications.

14.0 Council Priorities

- Improving the environment and addressing climate change
- Tackling poverty and inequality
- Building homes and infrastructure
- Addressing health and social care inequality
- Thriving economy

Section 3 - Statutory Officer Clearance

Statutory Officer: Dawn Calvert

Signed by the Chief Financial Officer

Date: 29/06/22

Statutory Officer: Jessica Farmer

Signed on behalf of the Monitoring Officer

Date: 28/06/22

Chief Officer: Charlie Stewart

Signed off by the Corporate Director

Date: 04/07/22

Head of Procurement: Nimesh Mehta

Signed by the Head of Procurement

Date: 04/07/22

Head of Internal Audit: Susan Dixon

Signed by the Head of Internal Audit

Date: 04/07/22

Mandatory Checks

Ward Councillors notified: NO as it impacts on all Wards

EqlA carried out: NO

Section 4 - Contact Details and Background Papers

Contact: Sharon Daniels, Head of Strategic and Technical Finance
(Deputy S151), Telephone 020 8424 1332, Sharon

Daniels@harrow.gov.uk

Background Papers:

- [2021/22 Budget Report](#)

**Call-in waived by the Chair of Overview and Scrutiny
Committee - NO**

This page is intentionally left blank

Grants 2021-22

APPENDIX 1

Directorate	Division	Awarding Body	Grant Name	Ringfenced Y/N	COVID Y/N	Value	Purpose of grant
Community	Cultural Services	Arts Council	Music Education Grant	Y	N	£334,931	To support the delivery of activities from Music Hub
Community	Cultural Services	DfE	Centrally Employed Teacher's Pension Grant	Y	N	£74,251	To support the pension costs increase of music teachers
Community	Enterprise	GLA	Adult Education Budget (Community Learning)	Y	N	£452,975	To deliver personal development, health and wellbeing courses to Harrow / London residents
Community	Enterprise	GLA	National Skills Fund	Y	N	£50,000	To deliver level 3 vocational qualifications to Harrow / London Residents
Community	Enterprise	GLA	Adult Education budget (Skills)	Y	N	£295,249	To deliver level English, maths, ESOL and ICT courses to Harrow / London Residents
Community	Enterprise	Education and Skills Funding Agency	Adult Education Budget	y	N	£35,500	To deliver personal development, health and wellbeing and skills courses to people travelling to Harrow for work but reside out of London
Community	Enterprise	DWP	Kickstart	Y	N	£611,000	Govt programme for 16-25 year olds providing 6 months paid work placement for 25 hours per week. Up to £611k. Funding will be passed to organisations that provide eligible work placements. Government pay min wage, Xcite subsidize difference to LLW
Community	Enterprise	DWP	Harrow Brokerage Programme	Y	N	£24,510	To deliver training on skills and job support
Community	Enterprise	DWP	Raising Ambition Harrow	Y	N	£68,231	To deliver training on skills and job support
Community	Enterprise	West London Alliance	Strategic Investment Partnership	Y	N	£183,285	Enabling Fund to support the delivery of digital infrastructure in the borough; Business & Skills Fund to continue to provide support to residents on skills and apprenticeship and to support entrepreneurs and micro businesses.
Community	Environment	TfL	2021/22 LIP - interim funding package	Y	N	£221,000	Interim funding for period up to 28th May 21 to deliver Corridors schemes and Local Transport measures.
Community	Housing	MHCLG	Homelessness Prevention Grant	Y	N	£2,246,458	to give local authorities control and flexibility in managing homelessness pressures and supporting those who are at risk of homelessness
Community	Housing	MHCLG	Rough Sleeping Initiative	Y	N	£309,819	support for rough sleepers. £309,819 is the allocation for this year which we expect to be reduced by the amount of £163,208 which was carried forward from 20-21
Corporate	Corporate	MHCLG	Business Rates Top Up Grant	Y	N	£22,623,424	
People	Adults	MHCLG	Improved Better Care Fund	Y	N	£6,437,630	Meeting adult social care needs, supporting people to be discharged from hospital when they are ready, ensuring the social care provider market is supported
People	Adults	MHCLG	Social Care Grant	Y	N	£5,465,188	The purpose of the grant is to provide support to local authorities
People	Children	Home Office	Unaccompanied Asylum Seeking Children	Y	N	£1,822,089	To support UASC and 18+ Asylum seekers. Figure is 2020-21 as is claimed in arrears based on spend
People	Children	YJB	Youth Justice Grant	Y	N	£232,466	Delivery of youth justice services
People	Children	DFE	Holiday Activities & Food Programme	Y	N	£554,270	Local co-ordination of free activities and healthy food for disadvantaged children.

Directorate	Division	Awarding Body	Grant Name	Ringfenced Y/N	COVID Y/N	Value	Purpose of grant
People	Children	ESFA	Children Looked After Pupil Premium Grant	Y	N	£330,645	£2345 per child for looked after children by LA for at least 1 day. LAC premium is managed by Virtual School Head for the benefit of the child. Grants to be paid to schools and also can be held centrally to be pay for staffing, tutors training etc. Grant needs to be fully spent. Unspent grant is recovered by ESFA
People	Children	MHCLG	Supporting Families (was Troubled Families)	Y	N	£618,600	Provision of intensive family support services and increasing the maturity of the Early Help system. Also bringing services together around families to deliver whole family working. £433k attachment fees and up to £185.6k Payments by results
People	Children	DWP	Reducing Parental Conflict	Y	N	£22,000	To develop staff skills and capability to identify parents experiencing parental conflict, deliver specialist interventions and provide other support to reduce parental conflict
People	Children	DfE	Social Workers in Schools	Y	N	£382,825	A team of social workers based in schools (SWIS) with the aim they work more effectively with education colleagues and with children and families. 100% refund for salary costs.
People	Children	DfE	School Improvement Monitoring & Brokerage	Y	N	£148,436	Purpose of this grant is to support LA fulfilling statutory school improvement functions for maintained schools
People	Children	DfE	Extended Rights for Home to School Travel	Y	N	£6,400	To promote sustainable travel for children and young people of compulsory school age who travel to receive education or training
People	Children	DfE	Schools PFI	Y	N	£1,543,316	
People	Children	DfE	Sec 31 Extension of the Role of Virtual School Heads	Y	N	£30,000	The purpose of this grant is to provide support to local authorities in England, to help them meet their duty to appoint a Virtual School Head for previously looked-after children and make information and advice available to the following parties for the purposes of promoting the education of eligible previously looked-after children
People	Children	DfE	Sec 31 Extension of the Role of Virtual School Heads to children with a social worker Implementation Grant	Y	N	£100,000	Extend the role of the Virtual School Head to promote the educational outcomes of the cohort of children with a social worker in early years setting, schools and colleges. To help all children with social worker to make educational progress. 2021-22 is the first year and Budget holder informs unspent grant can be carried over to use following year
People	Children	HMPPS	Remand	Y	N	£124,767	Under 18s in remand/secure accommodation placements
People	Children	DfE	Staying Put	Y	N	£77,473	Statutory Staying Put duty (18+ remain with foster carers)

Directorate	Division	Awarding Body	Grant Name	Ringfenced Y/N	COVID Y/N	Value	Purpose of grant
People	Children	DfE	Personal Advisor	Y	N	£47,564	Statutory duty to offer Personal Adviser support to all care leavers up to age 25
People	Children	DfE	Adoption Support Fund	Y	N	Variable TBC	Therapeutic services for adoptive and special guardianship order (SGO) families
People	Children	MOPAC	PRU Mentoring	Y	N	£19,687	To deliver dedicated one-to-one mentoring support for young people with complex needs that attend a Pupil Referral Unit
People	Children	ESFA	KS2 Moderation and KS1 Phonics	N	N	£7,051	To support the teaching of phonics at key stage 2
People	Children	MOPAC	Your Choice	Y	N	Up to £100,000	To deliver High Intensity Therapeutic Interventions for children and young people who get involved in violence.
People	Children/Adults	DfT	Bus Service Operators (BSOG)	Y	N	£69,341	Split 66.66% childrens and 33.33% adults. Payment made to LA for community transport
People	Children/Adults	MOPAC	Appropriate Adult	Y	N	£6,844	46% refund for Appropriate Adult costs incurred for young people and adults in Harrow and Barnet custody suites. Value is estimated based on max amount available
People	Public Health	DOH	Public Health Grant	Y	N	£11,309,532	Improving the health of the local population and reducing health inequalities
People	Public Health	DHSC	Adult Weight Management	Y	N	£61,116	To support the expansion of adult tier 2 behavioural weight management services commissioned by LAs
People	Public Health	DOH	Drug Treatment, Crime and Harm Reduction	Y	N	£180,000	
People	Schools	ESFA	Dedicated Schools Grant	Y	N	£138,631,218	75% passported to schools and early years providers determined by funding formulae. 25% retained by LA for commissioning of High Needs provision for pupils with Special Educational Needs & Disabilities
People	Schools	ESFA	Pupil Premium Grant	Y	N	£3,788,080	All passported to schools
People	Schools	ESFA	Universal Infant Free School Meals	Y	N	£2,232,445	All passported to schools
People	Schools	ESFA	16-19 Sixth Form provision	Y	N	£1,906,276	All passported to schools
People	Schools	ESFA	Schools SEN	Y	N	£3,255,561	All passported to schools
People	Schools	ESFA	PE & Sports	Y	N	£1,858,719	All passported to schools
People	Schools	ESFA	School Led Tutoring programme	Y	N	£104,514	All passported to schools. To support catch-up for lost education due to COVID-19
People	Schools	ESFA	Recovery Premium	Y	N	£108,199	All passported to schools. Additional funding for eligible schools based on Pupil Premium eligibility to provide further support to disadvantaged pupils as received in 20/21 – DWP subsidy paid to local authority to cover the cost of Housing Benefit paid to local authority tenants who are paid Housing Benefit by the LA via means testing
Resources	Benefits	DWP	Rent Rebate Subsidy	Y	N	£25,680,554	as received in 20/21 – DWP subsidy paid to local authority to cover the cost of Housing Benefit paid to privately renting tenants who are paid Housing Benefit by the LA via means testing
Resources	Benefits	DWP	Rent Allowance Subsidy	Y	N	£91,109,269	as received in 20/21 – administration grant paid by DWP to LA to cover costs of administering Housing Benefit locally
Resources	Benefits	MHCLG	Local Council Tax Admin Subsidy	Y	N	£213,875	

Directorate	Division	Awarding Body	Grant Name	Ringfenced Y/N	COVID Y/N	Value	Purpose of grant
Resources	Benefits	MHCLG	local council tax support schemes grant (2021-22) [No 31/5550].		N	2,326,514	The grant is provided towards expenditure incurred, or to be incurred, in respect of the provision of local council tax support in 2021-22.
Resources	Democratic Services /Governance	DCLG		Y	N	£454,833	to cover/contribute to the cost of General Elections, as and when they take place, grant received in 20/21
Resources	Democratic Services /Governance	DCLG	MHCLG Cabinet Office , Local Election Funding	Y	N	£111,531	to cover/contribute to the cost of GLA, as and when they take place, grant received in 21/22
Resources	Democratic Services /Governance	DCLG	GLA Elections for London Boroughs	Y	N	£308,700	to cover/contribute to the cost of GLA, as and when they take place, grant received in 21/22
Resources	Strategy	Home Office	Resettlement VPRS grant	Y	N	£121,806	to fund resettlement cost (admin, support officer) for refugee families 20/21, further £96,096 was received in 21/22
Resources	Strategy	WLA	One Public Estate	Y	N	£73,000	grant remaining in 21/22 to fund expenditure relating to community buildings upkeep /improvement) in the Borough
Resources	Strategy	MHCLG	Domestic Abuse Grant	Y	N	£170,300	to contribute to DO cost - Hestia contract
Resources	Strategy	MOPAC	VRU/LCPF	Y	N	£435,009	To cover cost of community projects preventing abuse and violence - gang worker
Total General & Specific Grants						£330,018,276	
Community	Cultural Services	Arts Council	Cultural Recovery Fund Round 2	Y	Y	£367,886	To support the recovery of cultural activities in Harrow Arts Centre, Harrow Museum and Harrow Music Service

Directorate	Division	Awarding Body	Grant Name	Ringfenced Y/N	COVID Y/N	Value	Purpose of grant
Community	Cultural Services	Arts Council	Cultural Recovery Fund Round 3	Y	Y	£367,884	To support the recovery of cultural activities in Harrow Arts Centre, Harrow Museum and Harrow Music Service
Community	Cultural Services	Sport England	National Leisure Recovery Fund	Y	Y	£366,549	£523,642 was awarded in 20/21 but the grant condition allows the unspent fund to be carried forward into 2021/22 to continue financial support to leisure service provider
Community	Environment	European Regional Development Fund	Welcome Back Fund	Y	Y	£221,203	An expansion of the Reopening High Street Safely Fund (RHSSF) in 20/21. To continue to support RHSSF objectives, and also to support and promote a safe public environment for a local area's visitor economy; and allow local areas to develop plans for responding to the medium-term impact of CV-19 including trialling new ideas particularly where these relate to the High Street.
Corporate	Corporate	MHCLG	Covid-19 Tranche Funding	N	Y	£6,051,184	
Corporate	Corporate	MHCLG	Controlling Outbreak Management Fund	Y	Y	£1,561,595	Additional Surge Funding
People	Adults	MHCLG	ASC Infection Control & Testing	Y	Y	£1,988,125	Reduce the rate of COVID-19 transmission and conduct testing
People	Children	DfE	Wellbeing for Education Recovery Grant	Y	Y	£23,331	First received in 2020-21 for school return in September 2020 to provide LA funding to support staff working in schools and colleges with training to respond to additional pressures young people maybe be feeling as result of the pandemic.
Resources	Benefits	MHCLG	MHCLG Local Council Tax Support Schemes Grant		Y	£545,000	this is c/f fro Council Tax hardship support
Resources	Benefits	DCLG	Test/Trace Support Payment Scheme PLYJ0021531		Y	£268,785	Selfisolation £500per person payment for each claimant needing to sty at home
Resources	Benefits	DLUHC	Covid-19 Additional Relief Fund Grant		Y	£3,172,759	The fund will be available to support those businesses affected by the pandemic but that are ineligible for existing support linked to business rates.
Resources	Strategy	DCLG	CEV		Y	£983,023	received in 20/21 - support for clinically extremally vulnerable people , further grants to be received in 21/22 CC 2588 so far collected £574k in21/22
Resources	Strategy	DEFRA	DEFRA		Y	£218,000	food parcels grant received in 20/21, the remaining amont which was carried forward to 21/22 is £177,587
Resources	Strategy	MHCLG	Community Champions Fund		Y	£495,000	received in 20/21 -to support small organisations in our less engaged communities to promote vaccination messaging within their communities (e.g. Romanian, Tamil, Somali, etc). Remaining amount c/f to 21/22 £212,336
Resources	Strategy	DWP	Covid Winter/Easter Grant	Y	y	£736,000	Grant received in 20/21 to support communities during winter and \Easter schools breaks , remaining grant c/f to 21/22 £319,849
Resources	Strategy	DWP	Household Support Grant		Y	£357,524	To cover cost of winter vouchers distributed to residents receiving CT supprt

Directorate	Division	Awarding Body	Grant Name	Ringfenced Y/N	COVID Y/N	Value	Purpose of grant
Total Covid-19 Grants						£17,723,848	
Total All Grants						£347,742,124	

Revenue Carry Forward Request 2021-22

APPENDIX 2

		Council Funding	Ring Fenced Grant Funding	Total Carry Forward	
Division	Description	£	£	£	Reason for Carry Forward & Consequences of not carrying forward.
	Carry Forward Request 2021-22				
				0	
Resources	Government grants MOPAC		187,000	187,000	Revenue cfwd required in relation to MOPAC grant funding which covers cost of HESTIA contract, this funding is ringfenced to cover the cost Hestia contract for the domestic violence
Resources	Government Grants Electors registration		46	46,000	This is a government grant ringfenced to be used for electoral registration purpose, service received £23k in 20/21 which was c/f and the same amount in 21/22, this will be used in future years
Planning	DEFRA - Biodiversity Net Gain		10,047	10,047	The grant relates to supporting the Council to meet its statutory obligations relating to Biodiversity Net Gain under the Environment Act 2021. The grant has just been awarded and the Government is insisting that it is invoiced for / paid by the end of financial year, so it is not practical to spend the grant within the financial year, so it therefore needs to be carried forward.
Culture	London Youth Games 'Give Back' grant scheme		3,778	3,778	London Youth Games only ran a summer festival last year and not the full campaign due to Covid-19 and lockdowns
Culture	HLF - Headstone Manor & Museum - Archive Conservation Project		85,000	85,000	The final claim payment for the HLF refurbishment project was received in 2021/22. Part of this grant is earmarked for the archive conservation project, however this could not be completed in the 2021-22 financial year due to COVID related delays but there is a statutory obligation for the work to be completed.
Enterprise	DWP - Kickstart Programme		89,827	89,827	Kickstart Programme is to support young people into paid work placements by providing a subsidy to employers. The DWP grant funding will be used to continue to forward DWP NMW salary payments to Kickstart employers to pay Kickstarters.
Enterprise	GLA - West London Alliance - Employment Support Programme		8,793	8,793	West London Alliance have submitted a successful application for ESF employability support for 6 West London Boroughs. The programme will support unemployed and economically inactive residents not supported by the national mainstream programmes.
Enterprise	DWP - Harrow Brokerage Programme		98,048	98,048	To continue to deliver works in 2022/23. Unable to deliver contract if not carried forward
Culture	Leisure Service - Surplus from Byron Hall rent and trading surplus in Everyone Active account achieved in 2021/22 to be set aside for funding the 2022/23 financial subsidy	393,000		393,000	Since the health pandemic, the financial performance of leisure centre has been adversely affected and therefore the leisure operator is not able to fulfill the contractual obligation of paying a net management fee of £750k to the Council. A further Deed of Variation was entered into with the operator for 2022/23, with a maximum subsidy capped at £495k. The carry forward budget will contribute towards the commitment of the Council in supporting the leisure operator.
	Total 2021-22	393,000	482,539	921,493	
	Rolled forward from 2020-21 [or prior year]c/fwd				
Planning	Grant from Heat Network Delivery Unit (HNDU) (former Department of Energy and Climate Change)		48,000	48,000	Work on potential heat network serving the main Council regeneration sites was put on hold as part of the broader review of the Regeneration programme. Consequently the work proposed to be undertaken using this grant was not progressed in 2019/20 - 2021/22. Heat network considerations form part of the newly appointed Harrow Strategic Development Partner and also Local Plan review / climate emergency, so grant likely to be spent on 2022/23. Grant condition requires it to be spent on heat network / carbon investigations.
Environmental Services	West London Waste Authority - Food Waste project funding		141,740	141,740	The project is underway. Bins purchased and being delivered to housing sites. The remaining funding will be used to fund the additional revenue costs during the pivot.
Enterprise	West London Alliance - Strategic Investment Pot - Enabling Fund Digital		80,868	80,868	The WLA Strategic Investment Pot - Using Public Assets to Unlock Digital Infrastructure project "Enabling Fund" will be used to support the delivery of digital infrastructure in the borough. Cabinet approved the draft Digital Infrastructure Strategy for consultation with external stakeholders in Dec 2021. This ring fenced funding cannot be used for other purposes. It will be used to support the delivery of Digital Infrastructure Strategy and the newly created post of Digital Infrastructure Lead Officer which is a 3 year fixed term post, starting from April 2022.
Enterprise	West London Alliance - Strategic Investment Pot - Businesses & Skills funding		88,887	88,887	The works have been committed and will continue into 2022/23, to provide support to residents on skills and apprenticeship and to support entrepreneurs and micro businesses.
Culture	Sport England - National Leisure Recovery Fund - Funding for the development of a new Indoor and Outdoor Sports Facility Strategy as agreed by CSB		50,000	50,000	Funding earmarked for Sports Strategy - work to be commissioned in 2022/23. If funding was not carried forward, the development of the new Indoor and Outdoor Sports Facility Strategy would not be possible impacting on the Council's ability to improve facilities in the borough and improve physical activity levels.
	Total 2020-21 [or prior year]	0	409,495	409,495	
	GRAND TOTAL	393,000	892,034	1,330,988	

This page is intentionally left blank

MTFS Savings- 2021/22 to 2023/24							
Specific Service Area	Headline Description re: saving / reduction	2021-22	2022-23	2023-24	Total	RAG Rating	Comments
		£000	£000	£000	£000		
Resources Directorate							
Customer Services	Benefits - delete two posts over two years	(33)			(33)		Savings achieved
Customer Services	Reduction in Customer Channels (B) - closing telephony & email channels across Council Tax, Housing Benefits, Planning, Building Control, Education, Parking & Switchboard and only accepting on-line applications following the release of new on-line services by April 2019/20.	(175)			(175)		Cabinet agreed to close the telephone lines for Council Tax and Benefits to reduce the Access Harrow budget by £350k through staff reduction. The closure was due to take place from 1 October 2020 with the budget reduction being equally split between 2020/21 and 2021/22. However, covid prevented the start of the programme of work required to channel shift Revenues & Benefits to digital channels. The delays have been caused because of the team supporting CEV residents, the Community Hub, Track & Trace, Testing, the Revenues service, and Virtual meetings as well as a lack of capacity within the service to support discovery and testing. It is anticipated that the work can be carried out over the next nine months although there are ongoing discussions regarding the future of this team.
Investment Income	Investment Income : Income from investing in commercial properties	(1,726)			(1,726)		Savings achieved
Resources total		(1,934)	-	-	(1,934)		
Community Directorate							
Environment & Commissioning	Commissioning and Environmental Services re-organisation - net saving on salary budget	(250)			(250)		Phase 1 and Phase 2 restructure completed and implemented. Saving achieved.
Enterprise - Xcite	Substitute funding for 2 existing job brokers with external grant in 2020/21. External funding has been secured as part of Strategic Investment Pot (SIP) over 2 years. Part of this grant is earmarked for funding staffing costs. The proposed funding substitution means the delivery of the programme will have to be incorporated into the work of existing staff. If no further funding is secured beyond 2020/21, one post will be deleted and the other one retained.	45			45		This £45k relates to the reduction of the £90k saving offered in 2020/21 by half in 2021/22 to reflect the staff resource required to continue the jobs and skills programme.
Culture - Harrow Museum	Removal of base budget from October 2020 for 4 positions that are currently 67% grant funded. These 4 FTC positions are created as part of the successful bid to HLF for the Headstone Manor refurbishment project. HLF funding will end in Sept 2020, thereby the future of these posts will be dependent on the availability of further external funding. As no further external funding has been secured, these positions are deleted in 2020/21. This saving started in 2020/21 with a £22k saving made in 2020/21, therefore a total of £44k across 2 years.	(22)			(22)		Cultural Service restructure completed to reflect the end of the HLF funding arrangement. Saving achieved.

MTFS Savings- 2021/22 to 2023/24							
Specific Service Area	Headline Description re: saving / reduction	2021-22	2022-23	2023-24	Total	RAG Rating	Comments
		£000	£000	£000	£000		
Housing GF - Travellers site	Review of Travellers site-"The council has a duty to provide suitable accommodation for Gypsy and Travellers and use Watling farm site for this purpose.Saving proposal is to seek a cost neutral outcome for the council . The housing service have reconsidered this proposal and will not be able to carry out a review to achieve full cost recovery for 2021/22. Therefore this saving will not be made in 2021/22 and will be considered as a 2022/23 saving. The £14k saving in 2021/22 will be met from within the existing 2021/22 housing general fund budget.	(14)			(14)		Originally aimed for 2021/22, deferred to 2022/23 with savings to be met from overall Hsg GF budgets until review concluded
Housing GF - Supporting people	Reduction in EACH contract and Sheltered housing support from April 2020- Each contract to be transferred to floating support scheme and reduction in sheltered housing support proposed to finance through enhanced housing management service charge which is HB eligible/ or reduce scope of the service provided.	(68)			(68)		Reduction in EACH contract to be met from Homelessness Prevention Grant, and reduction in contribution to Sheltered Housing support, funded by deletion of Support Coordinator role.Savings achieved.
Development Management - Building Control	Building Control - Additional income from commercialisation of the service	(20)			(20)		Building Control income is adversely affected by the health pandemic. It is unlikely that any additional income can be achieved in 21/22
Additional Financing Income	Additional Financing Income: (Originally £403k, but £367k relating to Probation Centre and Drones was reversed in 21/22 MTFS) Bannister cafe (25k) Harrow Weald Toilet (£11k)	(36)			(36)		Part-year rent is anticipated. The lease for Harrow Weald café has been drafted. Once the project is complete, this will be leased. Works at Bannister Café is ongoing and will complete in the later part of the financial year. The rent target is mitigated by income from other leases within Corporate Estates.
	Community Total	(365)	-	-	(365)		
Corporate							
Corporate	Gayton Road - income from 53 PRS units	(144)	(47)		(191)		The dividend income from the Gayton Road properties has been reprofiled from 2021/22 which means there will be a shortfall in income against the budgeted income level until 2024/25, but thereafter the income target will be met
Corporate	Transformation Target - additional £1m over and above SEN Transport target per annum	(1,000)	(1,000)		(2,000)		
	Corporate Total	(1,144)	(1,047)	-	(2,191)		
Adults	Commissioning - contract prices review	(300)			(300)		£220k savings achieved to date. Remaining £80k expected to be delivered by year end
	Adults	(300)	-	-	(300)		
GRAND TOTAL		(3,743)	(1,047)	-	(4,790)		

Green - Low or no risk to delivery of savings	Clear delivery plans in place. Project running to timescale
Amber - Medium/some risk to delivery	Potential for slippage but project will be delivered as originally intended but not within timescale, so saving will not be fully realised
Red - High risk to delivering forecast savings	Project may have started but will deliver no savings in the current financial year
Purple	Future years' savings

Capital Programme 2021/22

APPENDIX 4

Project Title	Original Programme	20/21 Budget Carry Forward	Changes in Q1-Q4	Revised Budget	Outturn	Variance	HRA budget realignment per February 22 Cabinet	Slippage to 2022/23	Underspend	Harrow Funded	Funding Excluding Borrowing	Reason for variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Resources and Commercial Directorate:												
ABAVUS and Waste Collector	0	241	0	242	212	(30)		0	(30)	(30)	0	Project complete, the funding is no longer required
Devolved IT Applications	1,861	838	(2,388)	311	158	(153)		(153)	(0)	0	0	Budget to be C/f as scheme is ongoing. The Council Tax Integrated moves process and electoral registration integration work still needs to be completed in 2022/23. This work has been delayed due to resource within the service areas being unable to fully participate due additional work caused by Covid.
Digital Improvements Programme	750	0	(750)	0	0	0		0	0	0	0	
Enterprise Resource Planning System	110	1,590		3,550	2,628	(922)		(922)	0	0	0	Implementation of ERP - D365 is ongoing, it is scheduled to be complete in 2022/23, the remaining budget is needed to cover the cost of completion.
Enterprise Resources Planning TT	1,050	0	(1,050)	0	0	0		0	0	0	0	
ICT 2021-22	0	150	6,929	7,080	2,336	(4,744)		(4,744)	0	0	0	Budget to be C/F as the projects within this capital programme are not completed and still ongoing, they will be finalised in 2022/23.
LAA Performance Reward Grant	0	59	0	59	59	(0)		(0)	0	0	0	
Ongoing ICT Refresh and Enhancements	1,959	2,051	(3,392)	618	205	(413)		(413)	0	0	0	Budget to be C/F as the projects within this capital programme are not completed and still ongoing, they will be finalised in 2022/23.
Other Schemes (Council wide)	9,001	0	(5,678)	3,323	0	(3,323)		(3,323)	0	0	0	Budget to be carried forward for any emerging capital requirements across the council not included elsewhere in the capital programme
Total Resources and Commercial Directorate	14,730	4,930	(4,478)	15,183	5,598	(9,585)		(9,555)	(30)	(30)	0	
People's Directorate:												
Adults:												
Assistive Technology	245	25	0	270	0	(270)		(270)	0	0	0	joint project with health not started in 2021/22- Falls project (intermediate care and prevention). Meeting with Health colleagues in the new financial year to agree next steps.
In-House Residential	125	16	0	141	15	(126)		(125)	(1)	(1)	0	work not yet started in 21/22: Drop in space for social workers and health staff will require reconfiguration of some of the NRC buildings. Generator for lifts and other capital repairs required (gate). Additional space at 14/15 kenton road required for service users.
Total Adults	370	41	0	411	15	(396)		(395)	(1)	(1)	0	
Public Health:												
Healthy Pupil Capital Fund	0	9	0	9	2	(7)		(7)	0	0	0	Work delayed due to Covid so supplier will install the daily mile tracks from April 2022
Total Public Health	0	9	0	9	2	(7)		(7)	0	0	0	
Schools:												
Additional Basic Need Funding	14,973	0	0	14,973	0	(14,973)		(14,973)	0	0	0	Slip to future years as school roll projects do not assume that permanent expansion is required at this point
Bulge Classes	552	0	0	552	0	(552)		(552)	0	0	0	Slip to future years as school roll projects do not assume that temporary expansion is required at this point
Childrens IT Development	0	222	0	222	86	(136)		(135)	(1)	0	(1)	Residual budget for future years
Childrens Services Buildings Programme Works	0	42	0	42	40	(2)		(2)	0	0	0	Projects ceased
Day Respite Provision	400	0	0	400	0	(400)		0	(400)	(400)	0	Business Case not yet developed. Funding will be bid for in future years if business case is viable
Devolved Formula Non VA Schools	0	53	0	53	0	(53)		(53)	0	0	0	Earmarked to school maintenance future years
School Amalgamation	0	654	31	685	683	(2)		(2)	0	0	0	Project finished. Grant funded.
Schools Capital Maintenance	1,000	2,245	2,769	6,014	1,217	(4,797)		(4,797)	0	0	0	Ongoing rolling programme of maintenance over multiple years
Schools Expansion Programme - Phase 2	0	23	0	23	0	(23)		(23)	0	0	0	Project finished. Grant funded.
SEN Expansion	5,507	69	(75)	5,502	215	(5,287)		(5,287)	0	0	0	Works ongoing. Delayed due to Covid
Total Schools	22,433	3,307	2,726	28,466	2,241	(26,225)		(25,824)	(401)	(400)	(1)	
Total People's Directorate	22,803	3,357	2,726	28,886	2,258	(26,628)		(26,226)	(402)	(401)	(1)	
Community Directorate:												
Commissioning and Environment:												
Bannisters Former Civil Defence Building	0	306	0	306	50	(256)		(256)	0	0	0	Although works were resumed following the delay caused by the pandemic, these were paused due to additional costs claimed by the contractor. This is subject to on-going negotiations to resolve this.
CA Site Infrastructure	100	0	0	100	22	(78)		(78)	(0)	0	0	The funding is set aside for a new shelter for dry recyclables which will keep the waste dry before being taken by the disposal contractor. The procurement process is underway
Car Parks Infrastructure	0	1	0	1	1	(0)		0	(0)	0	0	
Carbon Offset Fund	0	0	136	136	0	(136)		(136)	0	0	0	Further energy efficiency projects to be identified to utilise the remaining fund in 2022/23.
CCTV cameras and equipment at the depot	0	50	0	50	0	(50)		(50)	0	0	0	Additional cameras for parking enforcement have been ordered and will be implemented in 2022/23.
CCTV Infrastructure	1,246	(0)	0	1,246	4	(1,242)		(1,242)	0	0	0	The procurement of the CCTV infrastructure upgrade is now concluded and the new CCTV Control room will be installed in 2022/23
Climate Emergency - Energy emissions reduction measures	250	0	(203)	47	47	(0)		0	0	0	0	
Corporate Accommodation Maintenance	0	4	0	4	1	(3)		0	(3)	(3)	0	Small underspend following the completion of some old projects.

Project Title	Original Programme	20/21 Budget Carry Forward	Changes in Q1-Q4	Revised Budget	Outturn	Variance	HRA budget realignment per February 22 Cabinet	Slippage to 2022/23	Underspend	Harrow Funded	Funding Excluding Borrowing	Reason for variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Depot Redevelopment	0	4,069	13,103	17,172	13,732	(3,440)		(3,440)	0	0	0	The redevelopment project is almost complete, with outstanding works in external areas and the decommissioning of temporary building scheduled to be completed in early 2022/23. The majority of furniture was delivered and installed in early April and the cost of this will be funded from the carry forward budget.
Flood Defence & Highways Drainage	500	50	(51)	499	402	(97)		(97)	0	0	0	Some of the works ordered were not completed in 2021/22, and therefore the budget is carried forward to 2022/23 to fund these existing commitments.
Harrow Green Grid	150	0	0	150	130	(20)		(20)	(0)	0	0	The installation of parks noticeboards and signs was delayed due to volunteer inputs and supplier issues.
Harrow Weald Toilet Block	0	69	0	69	55	(14)		(14)	0	0	0	The project is mostly complete, with some minor work and contract retention to be paid in 2022/23.
Headstone Manor - Park for People Project	0	158	359	517	517	0		0	0	0	0	
Headstone Manor Flood Alleviation Scheme	0	470	0	470	470	(0)		0	(0)	0	0	
High Priority Plan Maintenance Corporate Property	650	727	(29)	1,348	525	(823)		(822)	(1)	(1)		Small underspend following the completion of some old projects.
Highway Improvement Programme	6,000	0	0	6,000	4,434	(1,566)		(1,566)	0	0	0	Some of the projects were not fully completed in 2021/22. The budget is carried forward to 2022/23 to fund existing commitments.
Litter Bin Project	0	0	18	18	0	(18)		(18)	0	0	0	External funding from WRAP was secured to install litter bins outside schools. The bins have been ordered and will be installed once they are delivered.
Parking Management Programme	300	0	0	300	155	(145)		(145)	0	0	0	Some of the schemes were delayed, but works are continuing into 2022/23 and the proposed measures will be implemented subject to the outcome of relevant consultations.
Parks Infrastructure	350	149	57	555	84	(471)		(471)	0	0	0	A few projects such as Cedar Gate posts and Bernays Garden wall are on-going following successful external funding applications. The remaining budget in the programme is carried forward to 2022/23 to fund Health & Safety works in Parks.
Parks Playground Improvement	0	46	0	46	0	(46)		(46)	0	0	0	The original programme of work has been completed. The remaining budget is carried forward to fund any other playground improvement works identified through inspections.
Public Sector Decarbonisation Scheme	0	0	3,050	3,050	1,088	(1,962)		(1,962)	0	0	0	External funding was secured to deliver energy efficiency measures across school sites and corporate buildings. These projects are on-going and will be completed in 2022/23.
Redevelopment of Rayners Lane Toilet Block	0	170	(170)	0	0	0		0	0	0	0	
Redevelopment of Vernon Lodge & Atkins House	0	0	0	0	0	0		0	0	0	0	
Street Lighting Improvement Programme	1,500	0	0	1,500	801	(699)		(699)	0	0	0	Some of the projects were not fully completed in 2021/22. The budget is carried forward to 2022/23 to fund existing commitments.
TfL Transport Capital (LIP)	1,391	0	0	1,391	0	(1,391)		0	(1,391)	0	(1,391)	The assumed funding of £1.391m included in the original capital programme didn't materialise due to financial constraints within TfL.
Vehicle Procurement	60	425	0	485	485	(0)		0	(0)	0	0	
Waste and Recycling	0	14	0	14	10	(4)		(4)	0	0	0	Budget carried forward to 22/23 to fund existing commitments.
Waste Services bins (Trade)	150	76	0	226	107	(119)		(118)	(1)	(1)		Bin orders were placed but the delivery was delayed due to long lead in time from the manufacturers, hence budget is slipped to 22/23. Small underspend following the conclusion of some old purchase orders.
Wealdstone Future High Street Fund (FHSF)	1,500	0	0	1,500	132	(1,368)		(1,368)	0	0	0	This is a multiple year project, funded by DLUHC and BCIL funding, for the construction of a footbridge and implementing Intelligent High Street. There was a delay in obtaining planning permission and land acquisition in 2021/22, therefore the funding is carried forward into 2022/23 to continue the project.
Wealdstone Major Transport Infrastructure	1,700	0	0	1,700	438	(1,262)		(962)	(300)	0	(300)	The assumed funding of £300k profiled in 22/23 was originally for the TfL funded Liveable Neighbourhood project, however no funding was awarded due to financial constraints within TfL.
WLWA Food Waste Project	0	0	357	357	22	(335)		(335)	0	0	0	The project is underway. Bins have been purchased and are being installed at identified sites as part of the pilot scheme.
Total Commissioning and Environment	15,847	6,783	16,627	39,257	23,712	(15,545)		(13,849)	(1,696)	(5)	(1,691)	
Cultural Services:												
Central Library Refit/Refurb	0	53	(53)	0	0	0		0	0	0	0	
Harrow Arts Centre	1,177	836	0	2,012	27	(1,985)		(1,985)	0	0	0	Phase 2 project was delayed because the work had to be re-tendered during the year. A new contractor has now been appointed to complete the work in 2022/23.
Harrow Arts Centre Capital Infrastructure	0	34	0	34	11	(23)		(23)	0	0	0	See above
Harrow Museum Capital Infrastructure	0	3	0	3	3	0		0	0	0	0	
Libraries and Leisure Capital Infrastructure	150	110	190	450	405	(45)		(35)	(10)	(10)		The Libraries ICT migration project is on-going as there is a delay in completing the novation of library BT phone lines, hence £35k is carried forward to 2022/23. Other library projects were completed and resulted in a small underspend of £10k.
Libraries Self-Service Kiosks Refresh	120	0	0	120	8	(112)		(112)	0	0	0	There was a delay in the completion of the RFID refresh project due to shipping issues and the set up of card payments at the kiosks.
Sec 106 Banister Sport Pitch	0	279	60	339	125	(214)		(195)	(19)	0	(19)	The funding of £195k is set aside for a new overflow car park, which will be completed in 2022/23 as the procurement exercise is now concluded. The underspend of £19k relates to Football Foundation grant that couldn't be claimed as actual expenditure of the 3G pitch was less than the grant award in the end.
Total Cultural Services	1,447	1,314	196	2,958	579	(2,379)		(2,350)	(29)	(10)	(19)	

Project Title	Original Programme	20/21 Budget Carry Forward	Changes in Q1-Q4	Revised Budget	Outturn	Variance	HRA budget realignment per February 22 Cabinet	Slippage to 2022/23	Underspend	Harrow Funded	Funding Excluding Borrowing	Reason for variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Housing General Fund:												
Disabled Facilities Grants	2,070	398	0	2,468	1,032	(1,436)		(1,087)	(349)	(349)	0	This is a demand led budget and has seen a lower demand for adaptations this year resulting in a variance of £1.435m -of this, £1.087m relates to external grant which is being requested to be carried forward into 2022/23 to cover remaining contractual commitments that are being undertaken and will be completed in 2022/23 and the remainder of the grant be added to next year's programme. The remaining £348k borrowing is reported as an underspend as a result of lower level of grant applications referrals being received than anticipated in 2021/22.
Empty Property Grant	120	0	0	120	49	(71)		0	(71)	(71)	0	This scheme is a Repair to Lease grant assistance scheme for private landlords to part fund improvements to their empty properties. In return the council secures nomination rights to house families in housing need as an alternative to the more expensive Bed & Breakfast (B & B) emergency accommodation. There has been a reduced level of uptake from property owners for this programme in 2021/22 as the combined deal is no longer financially attractive to most landlords. However, the Direct Let Scheme has been upgraded and we are working with Housing Needs to promote Direct Let combined with grant assistance for 2022/23
Housing Property Purchase - 100 Homes	138	0	0	138	138	0		0	0	0	0	
Property Acquisition Programme	8,665	958	0	9,622	5,517	(4,105)		(1,550)	(2,555)	0	(2,555)	£1.550m is proposed to be carried forward into 2022/23 for the completion of the acquisition of the remaining 3 properties within the programme, which will conclude in 2022/23. £2.550m is reported as an underspend as a result of legislative changes, effective from 1st April 2021, which prevents the continued use of Right to Buy 1-4-1 receipts being eligible to fund this programme. As a result, the programme was scaled back and units purchased contained within the budget resource available. The remaining underspend of £0.005m is from the conclusion of the 3 remaining properties within the 2020/21 programme which has now concluded resulting in a total of 42 property purchases.
Total Housing General Fund	10,992	1,356	0	12,348	6,736	(5,612)		(2,637)	(2,975)	(420)	(2,555)	
Regeneration, Enterprise and Planning:												
Harrow High Street Fund	1,800	136	0	1,936	668	(1,268)		(1,268)	0	0	0	Project delivery is underway for a number of strands including festive lights, Copenhagen Crossings, benches, tree pits, trees and the North Harrow Junction study. Some of the strands will be completed in Q1 of 2022/23 whilst others are delayed due to supplier issues which include feature lights and gateway features. Contracts are being finalised with suppliers for delivery in 2022/23.
Lyon Rd Pop Restaurant & Square	0	330	35	365	177	(188)		(188)	0	0	0	This is a multiple year project, which is near completion. The budget will be used to pay for outstanding works in 2022/23.
MoL COVID-19 - ERSF	0	10	0	10	10	0		0	0	0	0	
Neighbourhood CIL Schemes	500	84	0	584	156	(428)		(428)	0	0	0	The delivery of approved projects in various wards in 2021/22 will continue in 2022/23, as some of these were only confirmed in late 2021/22.
New Planning IT system	0	490	150	640	172	(468)		(468)	0	0	0	There was a delay in the implementation of the new system by the supplier.
Trinity Square	0	0	0	0	0	0		0	0	0	0	
Accommodation Strategy	2,293	1	0	2,294	27	(2,267)		(2,267)	0	0	0	This budget was reclassified as Accommodation Strategy (£1.473m) and Investment in 3 Core Sites (£0.794m) as agreed by Cabinet (29/04/2021) and is being used to take forward the Accommodation strategy.
Demolition of Social club	300	0	0	300	0	(300)		(300)	0	0	0	This budget is requested to be carried forward into 2022/23 and reallocated to Investment in 3 Core Sites.
Gayton Rd	0	0	0	0	0	0		0	0	0	0	
Haslam House Redevelopment	865	626	0	1,491	1,465	(26)		(26)	0	0	0	The project has completed. The budget is being used to cover the retention and costs to final account.
Investment in 3 core sites	0	0	429	429	0	(429)		(429)	0	0	0	The budget will be used in 2022/23 to fund the councils share of the investment in the 3 core sites within the HSDP.
Investment in HNC	2,070	0	0	2,070	0	(2,070)		(2,070)	0	0	0	The budget will be used in 2022/23 to cover the contractual liabilities associated with the Temple.
Other Regeneration	1,788	0	0	1,788	0	(1,788)		(1,788)	0	0	0	This budget is being carried forward and reclassified to supplement the Investment in 3 core sites. There is £0.223m contingency for Waxwell Lane contained within this budget which will be added to the £0.277m carry forward request giving a total carry forward request for Waxwell Lane of £0.500m and £1.565m available for Investment in 3 Core sites.
Plot S	500	0	0	500	0	(500)		(500)	0	0	0	This budget is requested to be carried forward into 2022/23 and reallocated to Investment in 3 Core Sites.
Poets Corner	8,119	0	(8,119)	0	0	0		0	0	0	0	
Waxwell Lane Development	1,570	1,266	0	2,836	2,559	(277)		(277)	0	0	0	This is a multi-year scheme which will complete early in the new year. The budget will be used to pay the remaining works in 2022/23. Practical completion is estimated to be achieved by June 2022 with sales concluding by July 2022. An extension of time claim has been submitted by the contractor. We expect to conclude final account negotiations in 2022/23.
Total Regeneration, Enterprise and Planning	19,806	2,943	(7,506)	15,243	5,234	(10,009)		(10,009)	0	0	0	
Total Community Directorate	48,093	12,397	9,317	69,806	36,261	(33,545)		(28,845)	(4,700)	(435)	(4,265)	
Total General Fund	85,626	20,684	7,565	113,875	44,117	(69,758)		(64,626)	(5,132)	(866)	(4,266)	

Project Title	Original Programme	20/21 Budget Carry Forward	Changes in Q1-Q4	Revised Budget	Outturn	Variance	HRA budget realignment per February 22 Cabinet	Slippage to 2022/23	Underspend	Harrow Funded	Funding Excluding Borrowing	Reason for variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Housing Revenue Account:												
Building Council Homes For Londoners (includes infill)	61,079	1,502	394	62,975	6,058	(56,917)	(51,980)	(4,937)	0	0	0	This programme has been reviewed and re-profiled to take into account significant delays in confirming schemes due to the impact of Covid-19. The GLA extended the final programme start on site deadline from 31 March 2022 to 31 March 2023 and new target dates have been agreed with the GLA for each scheme and the programme budget has been re-profiled accordingly, resulting in a slippage of £56.523m into future years. Of this £4.544m is additional slippage above, the £26.865m already carried forward into 22/23-24/25 and £25.115m HRA realignment approved by February 2022 cabinet.
Grange Farm phase 1	15,812	1,628	0	17,440	11,110	(6,330)		(6,330)	0	0	0	This is a multiple year scheme, which has experienced delays to programme delivery due to Asbestos removal and the requirement to meet the National House Building Council (NHBC) Part B regulations resulting in a slippage of £6.331m into 2022/23. It is now anticipated that the scheme will complete in February 2023.
Grange Farm phase 2	975	4,000	0	4,975	4,973	(2)		(2)	0	0	0	
Housing IT Scheme	796	52	0	848	553	(295)		(295)	0	0	0	The budget has been reprofiled due to implementation delays and £296k will be carried forward into 2022/23 resulting in a provisional budget for 2022/23 of £474k, £178k approved February 2021 plus the estimated slippage of £296k.
Mayor's Rough Sleeping Accommodation Programme	0	0	2,881	2,881	1,985	(896)		(382)	(514)	(514)	0	8x 1 bedroom stable, independent homes with intensive personalised support to homeless rough sleepers with multiple and complex needs were provided and the remaining 1 property (£0.381m) is being carried forward into 2022/23. Borrowing was used to match fund the external grant, of which £0.514m has been identified as surplus to requirement.
Planned Investment Programme	12,161	1,759	(394)	13,526	5,850	(7,676)		(6,375)	(1,301)	0	(1,301)	The significant slippages are in respect of various scheme: Meadfield & Cornell scheme (£1.494m) Delays in finalising the specification has resulted in reprofile of scheme into 2022/23.3.12 Health Safety 3 programme (£2.293m) Only one tender was received which required the contract specification to be increased and re-tendered and Other schemes due to resources issues with contractors, specifications issues, notices to leaseholders, legal challenges and delays in procurement are the main theme for the schemes being carried forward to next year. The underspend (£1.301m) is due to two schemes:- Decarbonisation (£0.866m.) Grant not required and 2 storey fire doors (£0.435m). As a result of delays in procurement, this will now be delivered and funded from the 2022/23 Planned Investment budget of £8.428m
Total HRA	90,823	8,941	2,881	102,645	30,529	(72,116)	(51,980)	(18,321)	(1,815)	(514)	(1,301)	
Total General Fund + HRA	176,449	29,625	10,446	216,520	74,646	(141,874)	(51,980)	(82,947)	(6,947)	(1,380)	(5,567)	

Appendix 5 – Council Trading Company Final Update 2021-22

Introduction

1. As at the end of financial year 2021-22, the Council's trading structure consists of five separate legal entities set out in table 1 below and presented as a flow chart at the end of this report along with detailed financial results.

Table 1: Harrow Council Trading Structure

Name	Legal Structure	Date Started Trading
Concilium Group Limited (Holding Company)	UK Limited Company	November 2015
Concilium Business Services Limited	UK Limited Company	November 2015
Sancroft Community Care Limited	UK Limited Company	January 2018
Concilium Assets LLP	Limited Liability Partnership	January 2019
Harrow Strategic Development Partnership LLP	Limited Liability Partnership	March 2021

2. These entities have been set up to provide a financial or other benefit to the Council whilst enabling it to undertake specific commercial activities.
3. The Council's interests in these entities are not material for the purposes of the financial statements. The Council's financial statements do not therefore include group accounts.

Background

4. Concilium Group Ltd. is a wholly owned commercial subsidiary of the Council, set up with the dual purpose of consolidating the financials of its subsidiaries and to act as the minority partner in a Council controlled Limited Liability Partnership (Concilium Assets LLP).
5. Concillium Business Services Ltd is a wholly owned subsidiary of Concillium Group Ltd. Until February 2019 its principal source of revenue came from the property management of 100 homes, managed on behalf of Harrow Council. Its activities are now kept to a minimum.
6. Sancroft Community Care Ltd is a wholly owned subsidiary of Concilium Group Ltd. The company took over the operation of the residential care home for the elderly situated on Sancroft Road, Harrow on 8th February 2018. Of the care home's 62 beds, 45 are block contracted with the London Borough of Harrow for five years.
7. Concilium Assets LLP is a Limited Liability Partnership owned 95% by Harrow and 5% by Concilium Group Ltd, set up to enable direct private rental sector (PRS) property investment activities. 53 PRS units on Gayton Road were transferred to the LLP in July 2019 on a 10 year lease for rent to the private market.

8. Harrow Strategic Development Partnership LLP (HSDP LLP) is a Limited Liability Partnership owned 50% by Harrow and 50% by Wates Construction Limited, set up to facilitate the development of Council assets at Poets Corner, Peel Road and Byron Quarter phase 1 as per the Council's Regeneration Programme. The Council's investment in the LLP will primarily be the transfer of the land once individual schemes are ready to commence.

Financial Implications

9. The accounting year end for all of these entities is 31st March in line with the Council's year end. This report references detail for financial years ended 2021 along with a summary for financial years ended 2022 and 2023.
10. Financial accounts have been prepared for the year ended 31st March 2021 for Sancroft Community Care Limited, Concilium Assets LLP, Concilium Group Limited and Concilium Business Services Limited. The audits of the accounts of Sancroft Community Care Limited, Concilium Assets LLP and Concilium Group Limited have been completed. The audit of the accounts of Concilium Business Services Limited is underway. For reporting purposes, Concilium Group Limited is classified as a dormant entity. The financial position for the companies for the year ending 31st March 2021 is summarised in Table 4. The first set of accounts for HSDP LLP will be completed for the year ending 31st March 2022.
11. The detailed annual forecast position to 31st March 2022 for the council's trading structure has been summarised in Table 5. These figures have not yet been subject to audit.
12. The annual forecast position for the council's trading structure has been summarised in Table 6. The table covers financial years 2020-21, 2021-22 and 2022-23 in line with the respective business plans.

Concilium Business Services Ltd

13. Concilium Business Services Ltd underwent a strategic change of direction and the details were presented as part of the part two savings tracker to Cabinet in July 2019. As a result, the company is now only responsible for the management of 2 homes. The company retains 5% of the income collected from tenants and distributes the remaining 95% back to the Council.
14. The 5% retained income from tenants is insufficient to cover the company's running costs. Various options are now being considered for the company to be wound up. The future financial position in Table 6 assumes that Concilium Business Services Limited will be closed by the end of the 2022-23 financial year.

Sancroft Community Care Ltd

15. The audited financial information for Sancroft Community Care Ltd for the year ending 31st March 2021 is summarised in Table 4 at the end of this report. A financial summary of Sancroft's performance against its business plan (budget) for 2021/22 is presented in Table 2 below.

Table 2: Sancroft Forecast Annual Position as at 31st March 2022

<i>Negative/(Positive)</i>	Full year Forecast	Annual Budget	Forecast Budget Variance
Total Income	(2,509,813)	(2,415,200)	(94,613)
Total Expenditure	2,363,759	2,369,236	(5,477)
(Net Profit)/Loss	(146,054)	(45,964)	(100,090)

16. The full business plan (refreshed) for Sancroft Community Care Ltd was presented as Appendix 7 (exempt) to the 23rd September 2021 Cabinet report and approved along with the quarterly performance against budget for Q1 2021/22 as Appendix 6.

17. There is uncertainty over the forecast caused by current high levels of inflation impacting the cost of energy and food.

Concilium Assets LLP

18. Concilium Assets LLP has been trading since 1st January 2019 and has prepared audited accounts for the 15 months ended 31st March 2020 and the year ended 31st March 2021.

19. The full business plan (refreshed) for Concilium Assets LLP was included as Appendix 8 (exempt) to the 23rd September 2021 Cabinet report and approved along with the quarterly performance against budget for Q1 2021-22 as Appendix 6.

20. Performance against the LLP's business plan this year is reported below in Table 3. Results for the quarter are in line with the annual budget.

Table 3: LLP Forecast Annual Position as at 31st March 2022

<i>Negative/(Positive)</i>	Full year Forecast	Annual Budget (B-Plan)	Forecast Budget Variance
Total Income	(1,136,438)	(1,061,991)	(74,447)
Total Expenditure*	910,206	913,765	(3,559)
(Net Profit)/Loss	(226,232)	(148,226)	(78,006)

* See paragraphs 21 - 23 below

21. The Council charges the LLP 33% of its turnover (the lease rent) which is accounted for as an expense in the accounts of the LLP. This expense was not included in the original business plan however it has been reflected in the refreshed business plan approved by Cabinet on 23rd September 2021. The lease rent is a direct benefit to the Council and is included in the MTFs.

22. The LLP accounts for 2019/20 include a technical adjustment spreading lease rent payments to the Council over the full term of the lease rather than accounting for them on a cash basis. The value of this adjustment for 2019/20 is £199,687 resulting in a loss in the audited company accounts for 2019/20 of £74,755. The £199,687 adjustment will be offset by rental income received in future years.

23. Any remaining profit is distributed back to the council as a dividend. The position for the LLP including these distributions is published in the business plan and included in the council's MTFs. The amount paid to the Council in respect of lease rent and dividend for 2021/22 was £406k.

Funding Arrangements

24. Concilium Assets LLP was granted a start-up loan of £175,000 which was fully drawn down in 2019. An additional short term loan facility to the LLP of up to £250k was approved by Cabinet in July 2019 of which only £100k was drawn down. These loans were repaid in full before March 2020, ahead of business plan projections.

Harrow Council Commercial Structure

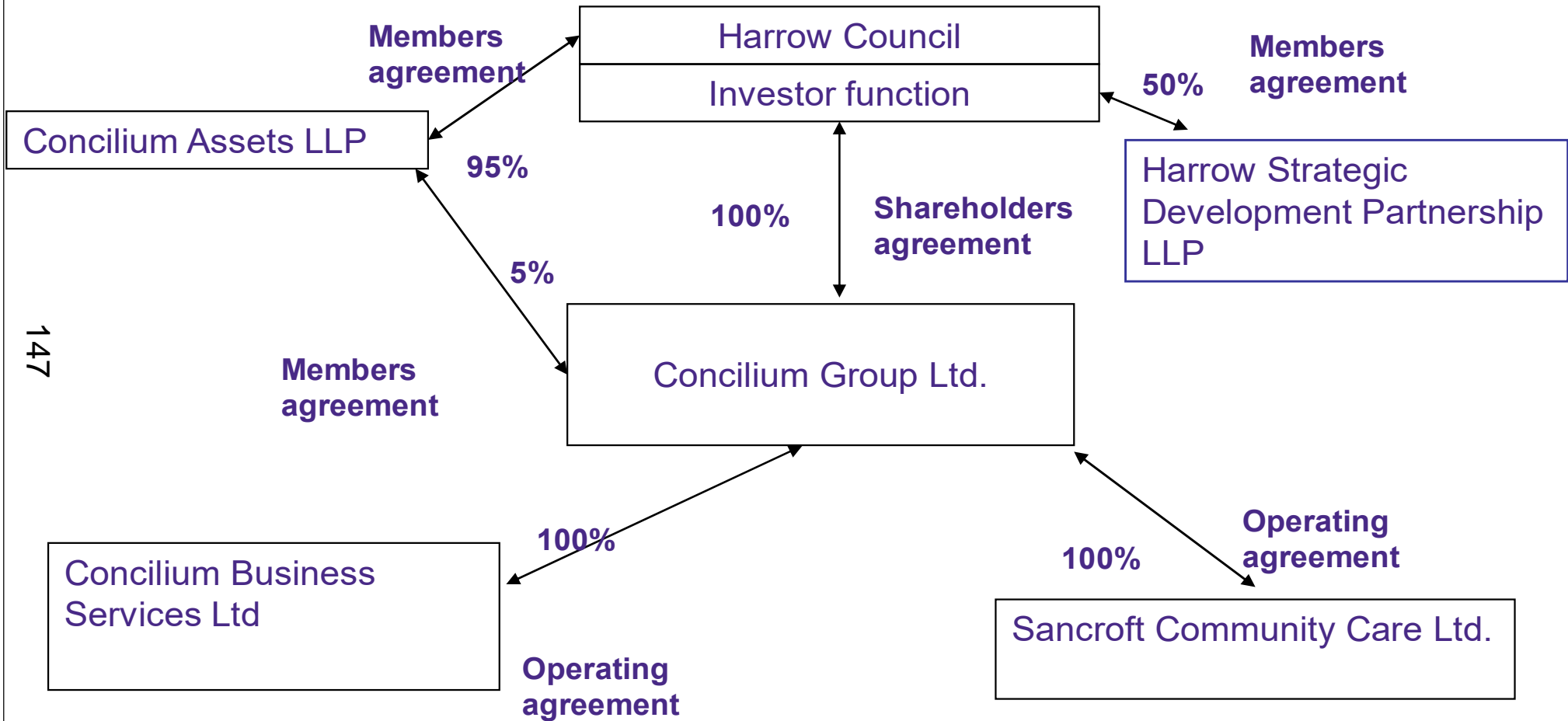


Table 4: Trading Structure Full Year Position to 31st March 2021

£ Negative/(£ Positive)	Concilium Business Services Ltd	Concilium Group Ltd	Sancroft Community Care Ltd	Concilium Assets LLP	Aggregate Position
Income	(73,618)	0	(2,366,830)	(1,080,945)	(3,374,157)
Direct and Administrative Expenditure	79,363	1,200	2,320,179	1,061,890	3,462,632
(Net Profit)/Loss	5,745	1,200	(46,651)	(19,055)	(58,761)
Retained Earnings c/f	(15,252)	7,924	(56,130)	55,700	(7,758)

Table 5: Trading Structure Full Year Forecast to 31st March 2022 - unaudited

£ Negative/(£ Positive)	Concilium Business Services Ltd	Concilium Group Ltd	Sancroft Community Care Ltd	Concilium Assets LLP	Aggregate Position
Income	(40,000)	0	(2,509,813)	(1,136,438)	(3,686,251)
Direct and Administrative Expenditure	55,252	3,000	2,363,759	910,206	3,332,217
(Net Profit)/Loss	15,252	3,000	(146,054)	(226,232)	(354,034)
Retained Earnings c/f	0	10,924	(202,184)	(170,532)	(361,792)

Table 6: Trading Structure Full Year Forecast for MTFS

£ Negative/(£ Positive)	Concilium Business Services Ltd	Concilium Group Ltd	Sancroft Community Care Ltd	Concilium Assets LLP	Aggregate Position
Retained Earnings b/f	(15,252)	7,924	(56,130)	55,700	(7,758)
(Net Profit)/Loss - 2021/22	15,252	3,000	(146,054)	(226,232)	(354,034)
(Net Profit)/Loss - 2022/23	-	3,000	(24,472)	(32,237)	(53,709)
Retained Earnings c/f	0	13,924	(226,656)	(202,769)	(415,501)



Report for: Cabinet

Date of Meeting:	18 July 2022
Subject:	Treasury Management Annual Report and Outturn 2021/22
Key Decision:	No
Responsible Officer:	Dawn Calvert - Director of Finance and Assurance
Portfolio Holder:	Councillor David Ashton - Portfolio Holder for Finance and Human Resources
Exempt:	No
Decision subject to Call-in:	Yes
Wards affected:	All wards
Enclosures:	Appendix 1 - Link Group Economic Commentary Appendix 2 - Borrowing Rate Summary 2021/22

Section 1 – Summary and Recommendations

This report sets out the Treasury Management Outturn position for 2021/22.

Recommendations:

Cabinet is requested to:

1. Note the Treasury Management outturn position for 2021/22.
2. Refer this report to the Governance, Audit, Risk Management and Standards Committee for review.

Reason: (for recommendations)

- a) To promote effective financial management and comply with regulations issued under the the Local Government Act 2003, the CIPFA Code of Practice on Treasury Management, and the CIPFA Prudential Code for Capital Finance, along with meeting the requirements of the Council's Financial Regulations.
- b) To keep Members informed of Treasury Management activities and performance for 2021/22.

Section 2 – Report

1.0 Background

1.1 The purpose of this report is to present the Council's Annual Treasury Management outturn position for 2021/22 in accordance with the Council's Treasury Management Practices and in compliance with the Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management Code of Practice. The Council has complied with all elements of the Treasury Management Strategy Statement (TMSS) as the treasury management function.

1.2 Treasury management comprises:

- Managing the Council's borrowing to ensure funding of the Council's current and future Capital Programme is at optimal cost;
- Investing surplus cash balances arising from the day-to-day operations of the Council to obtain an optimal return while ensuring security of capital and liquidity.

1.3 The annual revenue budget includes the revenue costs that flow from capital financing decisions. Under the CIPFA Treasury Management Code of Practice and the CIPFA Prudential Code, increases in capital expenditure should be limited to levels whereby increases in interest charges and running costs are affordable within the Council's revenue account.

- 1.4 The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation to ensure the security and liquidity of the Council's treasury investments.
- 1.5 The Council recognises that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of the CIPFA Treasury Management Code of Practice.

2.0 **Reporting Requirements**

- 2.1 The Council and/or Cabinet are required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals.

Treasury Management Strategy Statement Report – The first, and most important report is presented to the Council in February and covers:

- The Treasury Management Strategy Statement (TMSS), which details how the investments and borrowings for capital expenditure are to be organised, including Treasury Limits and Prudential Indicators.
- The Annual Investment Strategy which forms part of the TMSS, (the parameters on how investments are to be managed).
- the MRP Policy (how capital expenditure is charged to revenue over time).

The 2021/22 TMSS was presented to Council on 13th February 2021.

Mid-Year Review Report – This is presented to Cabinet in December/January and updates Members on the Treasury Management activity of the Authority within within the context of the approved TMSS. This also includes progress of the Capital Programme and reporting on Prudential Indicators to give assurance that the treasury management function is operating within the Treasury Limits and Prudential Indicators set out in the TMSS.

The 2021/22 Mid-Year Report was presented to Cabinet on 9th December 2021

Treasury Management Outturn Report – This report, typically presented to Cabinet in June/July, provides a review of the treasury management activity over the financial year and includes details of a selection of actual Prudential and Treasury Indicators and actual treasury operations compared to the estimates originally included within the TMSS.

This report fulfills this reporting requirement which is specified in section C93 (ii) in the Financial Regulations.

2.2 **Scrutiny** – The above reports are required to be adequately scrutinised, normally before being recommended to Cabinet / Council, with the role being undertaken by the Governance, Audit, Risk Management and Standards Committee (GARMS). The Council has complied with the CIPFA Treasury Management Code of Practice to the extent that all Treasury Management reports have been scrutinised, though the efficient conduct of the Council’s business may require consideration by GARMS subsequent to consideration by Cabinet/Council due to the practicalities of the committee timetable.

2.3 The Council has delegated responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Section 151 Officer. The Section 151 Officer chairs the Treasury Management Group (TMG), which monitors the treasury management activity and market conditions monthly.

3.0 **Matters covered in the Report**

3.1 The Treasury Management Outturn Report for 2021/22 includes a summary of the actual positions in respect of the Authority’s:

- Capital Expenditure, Financing and Limits
- Treasury Position as at 31st March 2022
- Summary of 2021/22 Strategy
- Economic update for 2021/22 (Appendix 1)
- Borrowing Rate Summary for 2021/22 (Appendix 2)

4.0 **Options considered**

4.1 The report is in accordance with the reporting requirements of the CIPFA Treasury Management Code of Practice.

5.0 **Treasury Management Outturn Report 2021/22**

5.1. The Treasury Management Strategy Statement, (TMSS), for 2021/22 was approved by Council in February 2021 . It stated that for the next three years the Capital Programme would continue to be funded from grants and revenue resources but that substantial borrowing would also be required.

6.0 **The Council’s Capital Expenditure and Financing**

6.1. The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council’s borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

6.2. The actual capital expenditure forms one of the required prudential indicators. The tables below show the actual capital expenditure for 2021/22 against that budgeted and how this was financed.

Table 1: Capital Expenditure

Capital Expenditure	2020/21	2021/22	2021/22	2021/22
	Actual	Budget	Actual	Variance
	£'000	£'000	£'000	£'000
Resources and Commercial Directorate	10,044	15,183	5,598	9,585
People's	1,645	28,886	2,258	26,628
Community	30,371	69,806	36,261	33,545
General Fund	42,060	113,875	44,117	69,758
HRA	12,537	102,645	30,529	72,116
Total	54,597	216,520	74,646	141,874

Table 2: Financing of General Fund Capital Expenditure

Finance of Capital Expenditure	2020/21 Actual £'000	2021/22 Actual £'000
General Fund		
Capital receipts/Right to Buy receipts	1,602	376
Capital Grants	6,562	5,449
BCiL	2,824	1,756
NCiL	272	161
Section106	880	398
Revenue	60	-
External Funding	12,200	8,140
Net Financing need for Year	29,860	35,977
Total General Fund	42,060	44,117

6.3. Further details of the capital expenditure position are included within the Revenue and Capital Outturn Report 2021/22 which is included elsewhere on this July cabinet meeting agenda.

7.0 The Councils Overall Borrowing Need

7.1. The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR). The CFR increases within any net financing need for the year and reduces through the application of resources,

including an annual charge to the revenue budget, the Minimum Revenue Provision (MRP).

Gross Debt and the CFR

- 7.2. In order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external debt (borrowing plus other long term liabilities such as PFI and Finance Leases) does not, except in the short term, exceed the total CFR in the preceding year (2021/22) plus the estimates of any additional borrowing requirement for the current (2022/23) and next two financial years. The table below highlights the Council's gross debt position for 2021/22 of £439.8m against the CFR in 2021/22 of £590.4m which shows that the Council has complied with this Prudential Indicator and stayed within its CFR.

Table 3: Gross Debt and CFR

CFR	2020/21	2021/22
	Actual £000	Actual £000
General Fund	422,193	439,039
HRA	150,674	151,339
Total CFR	572,867	590,378
Gross Debt	439,832	439,832
Under/(Over) Borrowing	133,035	150,546

Financing Costs to Net Revenue Stream

- 7.3. This Prudential Indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income), against the net revenue stream. The actual financing costs as a proportion of net revenue stream for 2021/22 compared to 2020/21 is included within table 4 below.

Table 4: Financing costs as a proportion of net revenue stream

Ratio of financing costs to net revenue stream %	2020/21 Actual	2021/22 Actual
General Fund	16%	15%
HRA	20%	20%
Total	16%	16%

The Authorised Limit

- 7.4. The Authorised Limit is the "Affordable Borrowing Limit" required by S3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level.

- 7.5. The Authorised Limit for 2021/22 was originally set as part of the 2021/22 TMSS at a total of £724m for borrowing and other long term liabilities. In light of the revised capital programme, as part of the 2022/23 TMSS which went to Cabinet in February 2022, the 2021/22 Authorised Limit was revised to £688m consisting of £660m (borrowing) and £28m (other long term liabilities).
- 7.6. With a gross borrowing figure of £439.8m, the table below demonstrates that during 2021/22 the Council has maintained gross borrowing within its Authorised Limit.

Table 5: Authorised Limit

Authorised Limit £'000	2021/22	2021/22
Set as part of :	2021/22 TMSS	2022/23 TMSS
Borrowing	696,115	660,621
Other long term liabilities	28,520	27,570
Total	724,635	688,191

The Operational Boundary

- 7.7. The Operational Boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary are acceptable subject to the Authorised Limit not being breached.
- 7.8. The Operational Boundary for 2021/22 was originally set as part of the 2021/22 TMSS at a total of £683m. This was revised to reflect the revised capital programme as part of the 2022/23 TMSS to £648m, consisting of £630m (borrowing) and £18m (other long term liabilities).
- 7.9. With a gross borrowing figure of £439.8m, the table below demonstrates that during 2021/22 the Council has maintained gross borrowing within its Operational Boundary Limit.

Table 6: Operational Boundary

Operational boundary £'000	2021/22	2021/22
Set as part of:	2021/22 TMSS	2022/23 TMSS
Borrowing	666,115	630,621
Other long term liabilities	17,370	17,570
Total	683,485	648,191

8.0 Treasury Position as at 31 March 2022

Borrowing Outturn (excluding borrowing by PFI and finance leases)

- 8.1. The Council has maintained an internal borrowing strategy for a number of years, forgoing lost investment income on investments to use its cash balances to temporarily fund capital expenditure and avoid external borrowing costs. This

has proved efficient given the differential between short term investment returns and borrowing costs. Table 3 shows that internal (or under) borrowing as at 31st March 2022 was £150m (£133m as at 31st March 2021).

- 8.2. No additional external borrowing was undertaken during 2021/22, and the Authority's underlying need to borrow, measured by the increase in the Capital Financing Requirement, only showed a relatively small increase of £17.5m.
- 8.3. The borrowing portfolio remained unchanged in 2021/22, at £422m split between £348m of PWLB loans and £74m of Market loans, and at the 31st March 2022 the portfolio was running at an average interest rate of 3.46% and an average life of 36 years.

Table 7: Borrowing Portfolio

Borrowing Portfolio £'000	31-Mar-21			31-Mar-22		
	Principal	Average Rate (%)	Average Life (yrs)	Principal	Average Rate (%)	Average Life (yrs)
- PWLB	348,461	3.45%	36.04	348,461	3.45%	35.06
- Market	73,800	3.53%	41.69	73,800	3.53%	40.72
Total borrowing	422,261	3.46%	37.02	422,261	3.46%	36.05

- 8.4. The maturity structure of the debt portfolio remained within the Prudential Indicator limits set as part of the 2021/22 Treasury Management Strategy. The maturity structure table below includes one Lenders Option Borrowers Option (LOBO) market loan at its next call date, which is the earliest date the lender can require repayment. Table 8 reflects this position in respect of the maturity profile of the debt portfolio.

Table 8: Maturity Structure of Borrowing

Maturity structure of borrowing	Lower	Upper	Actual 31.03.21	Actual 31.03.22
Under 12 months	0%	40%	10%	6%
12 months to 2 years	0%	30%	1%	0%
2 years to 5 years	0%	30%	0%	0%
5 years to 10 years	0%	40%	5%	5%
10 years and above	30%	100%	84%	89%

- 8.5. Appendix 2 provides a summary of PWLB maturity loan certainty rates across 2021/22 over various durations from 1-50 years.

Investment Outturn

- 8.6. The Council made investments throughout 2021/22 in accordance with the Treasury Management Strategy approved by Full Council in February 2021.
- 8.7. Due to the internal borrowing strategy being undertaken by the Council, cash balances continued to be held on a short term basis for liquidity purposes, in Money Market Funds and banks throughout 2021/22.

- 8.8. Investment returns which had been low during 2020/21 saw little improvement in 2021/22 with an average return of 0.02% as set out in Table 9. While the Authority avoided making any investments at negative interest rates, returns from short term investments with MMFs and banks have been at or near zero and at the 31st March 2022 the biggest return within the portfolio was the 32 day notice account with Lloyds which was returning 0.03%.
- 8.9. While the Bank of England Base Rate increased from 0.10% to 0.25% in December 2021, after remaining unchanged since March 2020, the impact of this and the subsequent 0.25% increases in February 2022 and March 2022 to 0.75% didn't have an immediate impact on on short term highly liquid investment returns due to the large levels of liquidity that have been held across the market throughout the pandemic. Bank Rate has continued to increase at each of Monetary Policy Committee meetings after 31 March 2022, and now stands at 1.25% with the expectation of further increases to come. This will increase investment returns in 2022/23.
- 8.10. The investment portfolio remained highly liquid throughout 2021/22. Investments increased from £82.4m to £98m over the year while the average rate of interest saw a minimal increase from 0.01% as at 31st March 2021 to 0.02% as at 31st March 2022.

Table 9: Investment Portfolio

Investment Portfolio	31-Mar-21			31-Mar-22		
	Principal (£'000)	Average Rate (%)	Average Life (days)	Principal (£'000)	Average Rate (%)	Average Life (days)
- MMFs	1,616	0.00%	1	1,617	0.05%	1
- Banks	80,838	0.01%	3	96,386	0.02%	3
Total Investments	82,454	0.01%	3	98,003	0.02%	3

9.0. Treasury Management Strategy for 2021/22

Investment strategy for 2021/22

- 9.1. Investment returns which had been low during 2020/21, remained close to zero for much of 2021/22 with most local authority lending managed to avoid negative rates and one feature of the year was the continued growth of inter local authority lending. The expectation for interest rates within the treasury management strategy for 2021/22 (table 10) was that Bank Rate would remain at 0.1% until it was clear to the Bank of England that the emergency level of rates introduced at the start of the Covid-19 pandemic were no longer necessitated.

¹Table 10: Link Asset Services Interest Rate Forecast 2021-2024 (TMSS 2021/22)

	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
BANK RATE	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
3 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
6 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
12 month ave earnings	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
5 yr PWLB	0.80	0.80	0.80	0.80	0.90	0.90	0.90	0.90	0.90	1.00	1.00	1.00	1.00
10 yr PWLB	1.10	1.10	1.10	1.10	1.20	1.20	1.20	1.20	1.20	1.30	1.30	1.30	1.30
25 yr PWLB	1.50	1.60	1.60	1.60	1.60	1.70	1.70	1.70	1.70	1.80	1.80	1.80	1.80
50 yr PWLB	1.30	1.40	1.40	1.40	1.40	1.50	1.50	1.50	1.50	1.60	1.60	1.60	1.60

9.2 The Government also supplied funding to local authorities to pass on to businesses. This meant that for most of the year there was much more liquidity in financial markets than there was demand to borrow, with the consequent effect that investment earnings rates plummeted.

9.3 The Authority's continuing internal borrowing strategy means that investments are kept liquid, with balances expected to be minimised through the use of reserves and balances to support internal borrowing, rather than borrowing externally from the financial markets. External borrowing would have incurred an additional revenue cost, due to the differential between borrowing and investment rates.

Borrowing strategy for 2021/22

9.4 As the interest forecast in table 10 above illustrates, there was expected to be little upward movement in PWLB rates over the period from March 2021 to March 2024 based on the expectation that it would take economies, including the UK, a prolonged period to recover all the momentum they have lost in the sharp recession caused during the coronavirus shut down period

9.5 During 2021/22 the Council maintained an internal borrowing position and no new external borrowing was taken during the year. The CFR increased by a relatively small £17.5m during 2021/22, which resulted in the internal borrowing position of the Authority increasing from £133m to £150m. This additional borrowing requirement was met through increasing the internal borrowing position through the temporary use of resources available on the balance sheet rather than through additional external borrowing.

9.6 This means that the capital borrowing need, (the Capital Financing Requirement), was not fully funded with loan debt, as cash supporting the Council's reserves, balances and cash flow has continued to be used as an interim measure.

9.7 The policy of avoiding new borrowing by running down spare cash balances, has served well over the last few years. However, this will be kept under review to avoid incurring higher borrowing costs in the future when the Authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.

9.8 Link Group's economic review of 2021/22 and their associated interest rate forecasts at the start and close of the year are contained in Appendix 1.

10.0. Risk Management Implications

- 10.1 This report is for noting and Cabinet are not being asked to make any decisions hence there are no direct risk management implications to this report.

11.0. Procurement Implications

There are no procurement implication arising from this report

12.0. Legal Implications

- 12.1 The Local Government Act 2003 requires the Council to 'have regard to' the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. These are contained within this report. The Act requires the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy. This sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments. This report assists the Council in fulfilling its statutory obligation under the Local Government Act 2003 to monitor its borrowing and investment activities.

13.0. Financial Implications

- 13.1 In addition to supporting the Council's revenue and capital programmes the Treasury Management interest budget is an important part of the revenue budget. Any savings achieved, or overspends incurred, have a direct impact on the financial performance of the budget

14.0. Equalities implications / Public Sector Equality Duty

- 14.1 There are no direct equalities impact. Compliance with s.149 of the Equality Act is integral to all aspects decision-making.

15.0. Council Priorities

- 15.1 This report deals with the Treasury Management Strategy which plays a significant part in supporting the delivery of all the Council's corporate priorities.

Section 3 - Statutory Officer Clearance

Statutory Officer: Dawn Calvert

Signed by the Chief Financial Officer

Date: 5/07/2022

Statutory Officer: Caroline Eccles

Signed on behalf of the Monitoring Officer

Date: 5/07/2022

Chief Officer: Dawn Calvert

Signed by the Corporate Director

Date: 5/07/2022

Head of Procurement: Nimesh Mehta

Signed by the Head of Procurement

Date: 5/07/2022

Mandatory Checks

Ward Councillors notified: NO as it impacts on all Wards

EqIA carried out: NO

Section 4 - Contact Details and Background Papers

Contact: Sharon Daniels, Head of Strategic and Technical Finance (Deputy S151), Telephone 020 8424 1332, Sharon.Daniels@harrow.gov.uk

Background Papers: None

Call-in waived by the Chair of Overview and Scrutiny Committee - NO

Appendix 1: Link Group Economic Commentary

UK. Economy. Over the last two years, the coronavirus outbreak has done huge economic damage to the UK and to economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left Bank Rate unchanged at its subsequent meetings until raising it to 0.25% at its meeting on 16th December 2021, 0.50% at its meeting of 4th February 2022 and then to 0.75% in March 2022. In June 2022 the rate increased to 1.25%

The UK economy has endured several false dawns through 2021/22, but with most of the economy now opened up and nearly back to business-as-usual, the GDP numbers have been robust (9% y/y Q1 2022) and sufficient for the MPC to focus on tackling the second-round effects of inflation, now that the CPI measure has already risen to 6.2% and is likely to exceed 8% in April.

Gilt yields fell towards the back end of 2021, but despite the war in Ukraine gilt yields have shot higher in early 2022. At 1.38%, 2-year yields remain close to their recent 11-year high and 10-year yields of 1.65% are close to their recent six-year high. These rises have been part of a global trend as central banks have suggested they will continue to raise interest rates to contain inflation.

Historically, a further rise in US Treasury yields will probably drag UK gilt yields higher. There is a strong correlation between the two factors. However, the squeeze on real household disposable incomes arising from the 54% leap in April utilities prices as well as rises in council tax, water prices and many phone contract prices, are strong headwinds for any economy to deal with. In addition, from 1st April 2022, employees also pay 1.25% more in National Insurance tax. Consequently, inflation will be a bigger drag on real incomes in 2022 than in any year since records began in 1955.

Average inflation targeting. This was the major change in 2020/21 adopted by the Bank of England in terms of implementing its inflation target of 2%. The key addition to the Bank's forward guidance in August 2020 was a new phrase in the policy statement, namely that "it does not intend to tighten monetary policy until there is clear evidence that significant progress is being made in eliminating spare capacity and *achieving the 2% target sustainably*". That mantra now seems very dated. Inflation is the "genie" that has escaped the bottle, and a perfect storm of supply side shortages, labour shortages, commodity price inflation, the impact of Russia's invasion of Ukraine and subsequent Western sanctions all point to inflation being at elevated levels until well into 2023.

USA. The flurry of comments from Fed officials following the mid-March FOMC meeting – including from Chair Jerome Powell himself – hammering home the hawkish message from the mid-March meeting, has had markets pricing in a further 225bps of interest rate increases in 2022 on top of the initial move to an interest rate range of 0.25% - 0.5%.

In addition, the Fed is expected to start to run down its balance sheet. Powell noted that the rundown could come as soon as the next meeting in May.

The upward pressure on inflation from higher oil prices and potential knock-on impacts on supply chains all argue for tighter policy (CPI is estimated at 7.8% across Q1), but the hit to real disposable incomes and the additional uncertainty points in the opposite direction.

More recently, the inversion of the 10y-2y Treasury yield spread at the end of March led to predictable speculation that the Fed's interest rate hikes would quickly push the US economy into recession. Q1 GDP growth is likely to be only between 1.0% and 1.5% annualised (down from 7% in Q4 2021). But, on a positive note, the economy created more than 550,000 jobs per month in Q1, a number unchanged from the post-pandemic 2021 average. Unemployment is only 3.8%.

EU. With euro-zone inflation having jumped to 7.5% in March it seems increasingly likely that the ECB will accelerate its plans to tighten monetary policy. It is likely to end net asset purchases in June – i.e.,

earlier than the Q3 date which the ECB targeted in March. And the market is now anticipating possibly three 25bp rate hikes later this year followed by more in 2023. Policymakers have also hinted strongly that they would re-start asset purchases if required. In a recent speech, Christine Lagarde said “we can design and deploy new instruments to secure monetary policy transmission as we move along the path of policy normalisation.”

While inflation has hit the headlines recently, the risk of recession has also been rising. Among the bigger countries, Germany is most likely to experience a “technical” recession because its GDP contracted in Q4 2021, and its performance has been subdued in Q1 2022. However, overall, Q1 2022 growth for the Eurozone is expected to be 0.3% q/q with the y/y figure posting a healthy 5.2% gain. Finishing on a bright note, unemployment fell to only 6.8% in February.

China. After a concerted effort to get on top of the virus outbreak in Q1 of 2020, economic recovery was strong in the rest of the year; however, 2021 has seen the economy negatively impacted by political policies that have focussed on constraining digital services, restricting individual freedoms, and re-establishing the power of the One-Party state. With the recent outbreak of Covid-19 in large cities, such as Shanghai, near-term economic performance is likely to be subdued. Official GDP numbers suggest growth of c4% y/y, but other data measures suggest this may be an overstatement.

Japan. The Japanese economic performance through 2021/22 is best described as tepid. With a succession of local lockdowns throughout the course of the year, GDP is expected to have risen only 0.5% y/y with Q4 seeing a minor contraction. The policy rate has remained at -0.1%, unemployment is currently only 2.7% and inflation is sub 1%, although cost pressures are mounting.

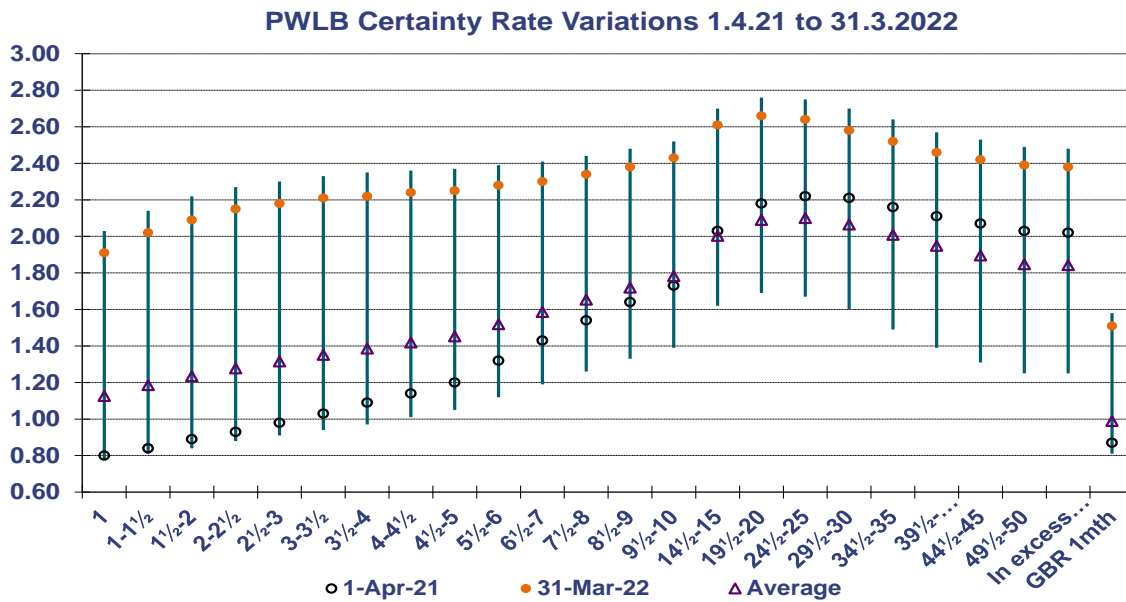
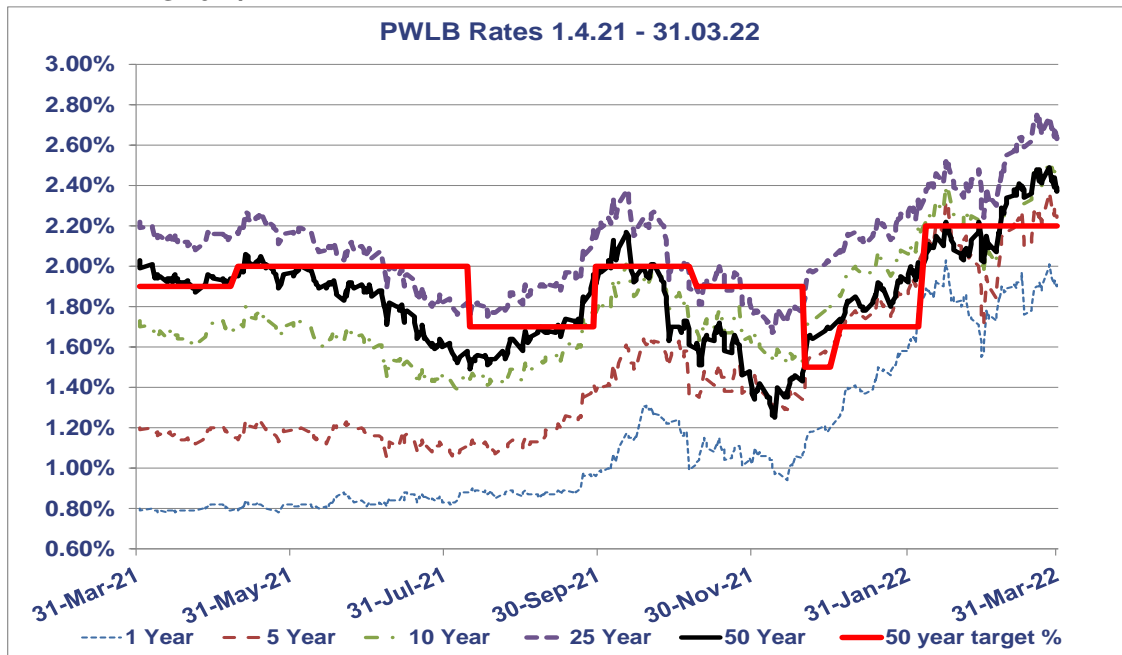
World growth. World growth is estimated to have expanded 8.9% in 2021/22 following a contraction of 6.6% in 2020/21.

Deglobalisation. Until recent years, world growth has been boosted by increasing globalisation i.e. countries specialising in producing goods and commodities in which they have an economic advantage and which they then trade with the rest of the world. This has boosted worldwide productivity and growth, and, by lowering costs, has also depressed inflation. However, the rise of China as an economic superpower over the last 30 years, which now accounts for 18% of total world GDP (the USA accounts for 24%), and Russia’s recent invasion of Ukraine, has unbalanced the world economy. In addition, after the pandemic exposed how frail extended supply lines were around the world, both factors are now likely to lead to a sharp retrenchment of economies into two blocs of western democracies v. autocracies. It is, therefore, likely that we are heading into a period where there will be a reversal of world globalisation and a decoupling of western countries from dependence on China (and to a much lesser extent Russia) to supply products and vice versa. This is likely to reduce world growth rates.

Central banks’ monetary policy. During the pandemic, the governments of western countries have provided massive fiscal support to their economies which has resulted in a big increase in total government debt in each country. It is therefore very important that bond yields stay low while debt to GDP ratios slowly subside under the impact of economic growth. This provides governments with a good reason to amend the mandates given to central banks to allow higher average levels of inflation than we have generally seen over the last couple of decades. Both the Fed and Bank of England have already changed their policy towards implementing their existing mandates on inflation, (and full employment), to hitting an average level of inflation. Greater emphasis could also be placed on hitting subsidiary targets e.g. full employment before raising rates. Higher average rates of inflation would also help to erode the real value of government debt more quickly.

Appendix 2: Borrowing Rate Summary 2021/22

PWLB RATES 2021/22



HIGH/LOW/AVERAGE PWLB RATES FOR 2021/22

	1 Year	5 Year	10 Year	25 Year	50 Year
01/04/2021	0.80%	1.20%	1.73%	2.22%	2.03%
31/03/2022	1.91%	2.25%	2.43%	2.64%	2.39%
Low	0.78%	1.05%	1.39%	1.67%	1.25%
Low date	08/04/2021	08/07/2021	05/08/2021	08/12/2021	09/12/2021
High	2.03%	2.37%	2.52%	2.75%	2.49%
High date	15/02/2022	28/03/2022	28/03/2022	23/03/2022	28/03/2022
Average	1.13%	1.45%	1.78%	2.10%	1.85%
Spread	1.25%	1.32%	1.13%	1.08%	1.24%